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Horror of Zaire's Refugee Trail

A Nightmare for Rwandans and Those Struggling to Help

By Donald G. McNeil Jr.
New York Times Service

LUBUNGA, Zaire — Overhead, it could hardly have been more beautiful — the Southern Cross and Big Dipper hung simultaneously in the sky and a sliver of moon, punctuated by shooting stars, shone on the Congo River.

At knee level — the level of the faces of the children squatting in the dirt — it was a typical Zairian nightmare for tens of thousands of Rwandan refugees and the aid workers trying to airlift them out of the war-torn nation and home.

A rattletrap train that had taken two days to go 60 miles (95 kilometers) arrived after dark at a ferry slip already jammed with waiting cars and trucks. Among the refugees who had been inside its closed boxcars were 361 exhausted, starving, terrified and diseased orphans, some leaning on sticks, some simply lying on the ground.

"I need someone; I can't stand up," begged Habumukiza, 11, sliding slowly down his stick and collapsing against the train.

"Up we go," Andrew Ross, the ponytailed director of the evacuation, said gently, hoisting Habumukiza and cradling him on the way down the ferry slip.

"Water, water, water," called Haitiarimie, 5, and Bizimana, 14, who were strong enough to walk and so had to sit while others were carried to the ferry. "You'll have to wait for a bit," answered Augustin Rwandrugari, an aid worker.

"We need bodies," crackled a radio. "We need stretchers. Everybody stays until this train is off."

In the headlights of a truck, workers frantically slashed open packets of food bars and, their polyethylene-gloved hands flashing in the light, thrust them out from the dark at the children, who looked at them as if they were grenades.

Then, when all the refugees were aboard the ferry, it broke down.

Fortunately, there was a second, repaired last month at United Nations expense. Fortunately, it did not break loose and drift 15 miles downstream as it had the night before. Two hours later, the children shuffled aboard or were carried onto it.

"By then, my flashlight was weak," Peter Kessler, a UN spokesman here, said later. "I thought the last row I passed was bundles. They were kids, with their shirts pulled over their heads, shivering on the deck." Fourteen refugees died overnight.

One of the hardest parts of evacuating these Hutu refugees, driven deep into Zaire by rebel forces, are the bottlenecks created by decades of decay. The distance from the mud road where those children lay to Rwanda is only about 450 miles. But for those orphans, who walked it the first time, the trip back means a train, a ferry, two truck rides, a plane flight and another truck ride — and perhaps the strong arms of someone like Mr. Ross in between.

The aid workers are exhausted. "We go till midnight on a good night," said one. "Till 3 A.M. on a bad one."

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Stephen Crowley/The New York Times

Zaire's chaos has confounded UN efforts to repatriate refugees. About 300 Rwandan orphans, the luckier ones, were flown home on a cargo plane.

Bomb Blast Set Off Near Homes of China's Elite

Explosion Undercuts Image of Stability Projected by Beijing

By Steven Mufson
Washington Post Service

BEIJING — A bomb exploded Tuesday in a park across the street from the leadership compound in the heart of China's capital.

It was at least the third bomb to go off in Beijing in just over two months and will very likely heighten the anxieties that Chinese leaders have about the country's stability.

The leaders are particularly eager to put forward an image of stability now, after the death on Feb. 19 of Deng Xiaoping and the handover of Hong Kong by Britain to China on July 1. Concerns about stability are often cited in explaining why China is not more tolerant of political dissent.

There were no confirmed reports of casualties, though Reuters quoted an unidentified source saying that one person died in the explosion, which went off about 5 P.M. in Zhongshan Park, northwest of Tiananmen Gate and east of the Zhongnanhai leadership compound.

A short while after the explosion, there was little sign of police presence.

It remained unclear who would have wanted to set off the bomb. But after two bombs exploded here in March, speculation has focused on Uygur nationalists from the far western Xinjiang Uygur Autonomous Region and on disgruntled workers. One of those blasts, on March 7, was from a pipe bomb that went off on a crowded bus on a shopping street during rush hour.

Muslim Uygurs have long favored a revival of their briefly independent state of East Turkestan. Since unrest broke out after a scuffle with the police in the town of Yining, Uygurs in Xinjiang have been subject to a severe police crackdown. On April 28, the authorities executed a student of the Koran who was accused of bombing a military jeep in the provincial capital, Urumqi, last year, and another was given a suspended death sentence, the official Chinese press said.

"Execute one as a warning to a hundred," the Xinjiang Legal Daily said.

At the same time, workers in China's state-owned enterprises have been restive recently because of Beijing's vow to charge ahead with plans to overhaul money-losing firms and lay off millions of workers who once depended on the state for lifetime employment and benefits. China's leaders estimate that they could lay off perhaps a quarter of the roughly 100 million state workers, mostly in big cities. The latest warning to workers was issued on May 1, international labor day.

Zaire Rebels March on Capital

Zairian rebels were marching Tuesday on Kinshasa after breaking through the government's last major defensive position separating the insurgents from the capital.

The rebels, less than 150 kilometers away, announced that they would reach the capital within hours.

The American ambassador urged the Zairian prime minister, General Likulia Bolongo, to order his troops to allow the rebels to enter Kinshasa. But the government of Mobutu Sese Seko ordered an 8 P.M.-to-dawn curfew and told residents to take up arms.

Western embassies renewed calls for their citizens to leave Zaire immediately. Page 7.

Russia Moves to Rein In Natural-Gas Behemoth

Yeltsin Puts Gazprom on Government Leash

By David Hoffman
Washington Post Service

MOSCOW — President Boris Yeltsin on Tuesday moved to assert government control over the natural-gas monopoly Gazprom, forcing the corporate giant to bow to the authority of the Kremlin. Mr. Yeltsin also withdrew lucrative stock options that had been secretly awarded to Gazprom's management.

In a decree, the president ordered that a new 10-member board be created to oversee the company. It is to be headed by Boris Nemtsov, a deputy prime minister who is spearheading an ambitious drive to reorganize the Russian energy sector to make it more competitive and accountable.

Described as a "state within a state," Gazprom is Russia's largest company. The company supplies Western Europe with a quarter of its natural-gas supplies, serves more than half of Central and Eastern Europe and fulfills the needs of virtually all of Russia and several former Soviet republics. Gazprom owns and operates a 145,000-kilometer (90,000-mile) pipeline system, and its gas reserves are two-thirds of Russia's total.

The company is extremely well-connected. Prime Minister Viktor Chernomyrdin was once its chief. When Gazprom was created out of the former Soviet gas ministry, the Russian government kept 40 percent of the shares.

But a decree Mr. Yeltsin signed in 1993 gave 35 percent of the shares to management officials in trust. The conglomerate's chairman, Rem Vyakhirev, was allowed to vote the state's shares, giving him broad latitude to run the company as he saw fit.

Reformers here and critics from international financial institutions said Gazprom was using billions of dollars in earnings for itself instead of paying dividends to the state, while the company was also one of Russia's biggest tax deadbeats. Gazprom owes $2.4 billion in back taxes, but says it suffers from arrears because it must keep pumping gas to customers who fail to pay their bills.

Mr. Yeltsin's decree Tuesday reclaimed the state's shares by authorizing the new board to oversee them.

"The state had totally lost control over the company," Mr. Nemtsov said

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Dan Morano/The Washington Post

Felix Rohatyn could become a voice in the debate over Europe.

An Envoy With a Vision

Likely Choice as U.S. Ambassador to Paris Described as Pro-Growth and Progressive

By Brian Knowlton
International Herald Tribune

WASHINGTON — A posting to London, not Paris, might have been a good fit for Felix Rohatyn. A meeting last year between the highly successful American investment banker and the man who later would lead the Labour Party to historic victory produced exuberant talk of a shared vision.

The graying Democrat and the youngish Labourite saw a similar path to progress, based not on income redistribution but on rapid creation of wealth and higher rates of economic growth.

"I was really impressed," Mr. Rohatyn said after the meeting with Tony Blair. "He seemed to be extremely realistic about what has to be done."

Mr. Blair, his aides said, was taken by Mr. Rohatyn's innovative ideas on coping with the wrenching pressures of global change.

But few Americans, particularly outside the Foreign Service, could slip much more comfortably into the embassy in Paris, where Mr. Rohatyn is expected to take up residence as U.S. ambassador.

Mr. Rohatyn (pronounced RO-uh-tun) speaks impeccable French, has lived in France, works for a company with close French ties, and is respected by the business and financial communities of both countries. He is socially prominent, interested in political issues, and is thought to have good access to President Bill Clinton. He also received the Legion of Honor from France in 1983.

So even if France continues to be governed from the center-right after the coming elections, and even if Mr. Rohatyn is philosophically closer to a Tony Blair than a Jacques Chirac, the New York investment banker is expected to do well.

Mr. Rohatyn calls himself a "liberal Democrat." A senior partner at the firm of Lazard Freres, he is one of "the few highly successful figures on Wall Street who back progressive causes," The New York Times wrote. Francois Mitterrand, the last Socialist president of France, was a close friend.

But political affinities do not make or break an ambassador. Pamela Harriman was an activist Democrat, yet was widely judged to have been an effective envoy to President Chirac's France. Her death Feb. 5 left the ambassadorship vacant.

If Mr. Rohatyn speaks out about economic issues, he could become an interesting voice in the economic debate in Europe. He is an advocate of the pro-growth policies that Mr. Chirac says he wants, but the realities of domestic politics have not allowed the French president to pursue them.

"Felix is not out of step with what marketplace advocates in France believe in," said Evan Galbraith, ambassador to France in the early 1980s.

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France's Big-Yawn Vote

Indifference Is Poised to Be the Winner

By John Vinocur
International Herald Tribune

PARIS — Call an early election, but refuse to deal with the issues. Watch the people say that they are not interested, and then — literally — that they comprehend less today about what is at stake, and where the parties stand, than when the vote was called three weeks ago.

For indifference and general public contempt, the mood surrounding the campaign for France's two rounds of parliamentary elections called by President Jacques Chirac for May 25 and June 1, is extraordinary.

According to the major polling organizations, more than half the population in a country with 12.8 percent unemployment is not interested in the campaign. The level of alienation reaches more than 60 percent among young people and almost 70 percent among workers. The most dizzying figure shows barely 19 percent saying that the campaign has effectively dealt with the issues or the differences in the party platforms — a decline of 6 percent since Mr. Chirac announced that he was dissolving the National Assembly to give France "a new thrust forward."

Philippe Mechet, deputy director of Sofres, a large French polling group, underscored the vacuity of the campaign so far. The French people, he said, "believe this election will have absolutely no effect on their daily lives."

NEWS ANALYSIS

What appears to have happened is that, within days of the election's being announced April 21, the government majority of Gaullists and other moderate rightist parties turned abruptly away from a campaign that some of them wanted to focus on a central issue in French society: the idea that France's capitalism of high

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Europe Firms Luxuriate in Markets Afar

By Jacqueline Simmons
Bloomberg News

PARIS — European luxury-goods makers are flocking to set up shop in the emerging nations of the world, where many are already making up to 15 percent of their profits.

LVMH Moet Hennessy Louis Vuitton SA has opened a Dior perfume plant in China, while L'Oreal SA is spending $40 million to open a second cosmetics factory there. LVMH recently inaugurated a store in Vietnam and four stores in Latin America.

Gucci Group NV opened stores in Shanghai and Beijing. Clarins SA plans to sell its cosmetics in India while Hermes International SA is opening in Prague and planning stores in Argentina and Chile.

On Monday, Guinness PLC and Grand Metropolitan PLC said targeting emerging markets was a prime motivator for their planned merger, which will create a $33 billion food and beverage giant.

All of these companies are hoping that the estimated 500 million newly affluent customers in emerging markets will compensate for lagging sales to Western and Japanese buyers. The Japanese, who account for 40 percent of all luxury-goods sales, are buying fewer upscale brands because of a falling yen.

"The nouveaux riches in emerging markets, particularly Asia, are into powerful, European names," said Cedric Magnelia, an analyst at Credit Suisse First Boston in London. "Growing wealth and a taste for Western goods are the main drivers, and the industry is increasingly catering to that demand."

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AGENDA

UN Clarification On North Korea

A team of United Nations food relief experts reported that it found North Korea in a state of "near famine" but saw no evidence of starvation deaths, cannibalism or military food rampages.

Tun Myat, leader of the UN World Food Program team that traveled across the country by train and inspected ports and hospitals, described the situation as "famine in slow motion."

"This is not a case like you see in Somalia or Sudan," Mr. Myat said. "This is not a desert. There are trees and water. There is no war, no large displacements of people." Page 4.

The Dollar

New York	Tuesday @ 4 P.M.	previous close
DM	1.694	1.707
Pound	1.6325	1.6235
Yen	118.62	119.37
FF	5.7045	5.7565

The Dow

change	Tuesday close	previous close
-18.54	7274.21	7292.75

S&P 500

change	Tuesday @ 4 P.M.	previous close
-4.53	833.13	837.66

Murdoch's Dodgers?

Rupert Murdoch appears on the verge of buying the Los Angeles Dodgers. Peter O'Malley, the team owner, said he had asked baseball if he could enter serious talks with Murdoch's News Corp. Estimated price: $350 million to $400 million.

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Cameroon	1,600 CFA	Qatar	10.00 Riials
Egypt	££ 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Italy	2,800 Lire	Spain	225 PTAS
Ivory Coast	1,250 CFA	Tunisia	1,250 Din
Jordan	1,250 JD	U.A.E.	10.00 Dirh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

'Dying Breed': White NBA Players

Some Feel Stigmatized in the Black-Dominated Sport

By Kevin Merida
Washington Post Service

Matt Geiger is a rangy, goatee-sporting, 7-foot center for the National Basketball Association's Charlotte Hornets, an average player who performs with reckless zeal. On this night, in the clowning atmosphere of his team's locker room, he is a juicy target for postgame ribbing.

One teammate draws a cartoon-like pickle-headed figure on the chalkboard.

"That's Geiger!" shouts a teammate approvingly.

"You gonna get the big eyes," another player implores the artist.

As others join in, the point guard Muggsy Bogues observes that Geiger is slipping on his pants minus underwear. "Oh, he ain't got no drawers on!" exclaims Bogues, who cracks up laughing.

Geiger is ignoring the playful barbs of his black teammates because he is too busy describing what it is like to be white in the NBA. "Yeah, there's a little razzing," says Geiger, one of two whites on the Hornets' 12-man roster, "but it's all in good fun."

Geiger is a rarity: a white man trying to fit in among blacks who dominate his profession. In 1957, 93 percent of the NBA's players were white. Today, in the NBA's 50th anniversary season, about 80 percent are black. It is one of the most unusual circumstances in the American work force, whites as minorities in a high-paying industry closely scrutinized by the public. Typically, it is blacks and other minorities who must conform to the norms of a mostly white workplace.

The 50-year commemoration of Jackie Robinson's integrating major league baseball has brought renewed attention to racial issues in sports. And the NBA, now in the midst of the playoffs, is an intriguing laboratory for exploring how whites fare in an exclusive, predominantly black society.

Throughout the season The Washington Post interviewed players, coaches and others about this unique world of racial interaction. Some white players talked of being anonymous pros who can't get into

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Kevin Larkin/The Associated Press

Dan Majerle of the Miami Heat in action against the New York Knicks, who won. Page 20.

The Eagles Land / **Transforming Britain's Parliament**

New Labour's Women Surge Into an Old Boys' Club

By William D. Montalbano
Los Angeles Times

LONDON — The Eagles have landed with more than 100 allies in a friendly but resolute women's invasion of the Mother of Parliaments. Already it is clear that the venerable House of Commons, famed for generations as the world's greatest boys' club, will never be the same.

"This will be the most rapid change the institution has ever undergone — a great reform of content and of spirit," said Angela Eagle, who now represents voters along the River Mersey near Liverpool. Her 36-year-old identical twin, Maria Eagle, is also a new member of Parliament, representing the other side of the river.

The Eagle sisters — childhood chess prodigies, youthful cricket stars and alumnae of Oxford University who, admirers say, retain their student idealism — are emblematic of a historic high tide for women in British public life that crested with the election victory by Tony Blair's Labour Party on May 1.

The numbers are as staggering as their political and social implications. In the new Parliament, 120 of the 659 members are women — 101 of them among the 419 members representing New Labour.

The all-party total of 120 is five times the typical postwar figure, 101 more than came to Parliament in 1979 when Margaret Thatcher became the first British woman to be prime minister, and twice the number elected in 1992.

Five women are members of Mr. Blair's cabinet and 14 more are ministers in cabinet departments. The departing Conservative cabinet had two women, while eight women were ministers.

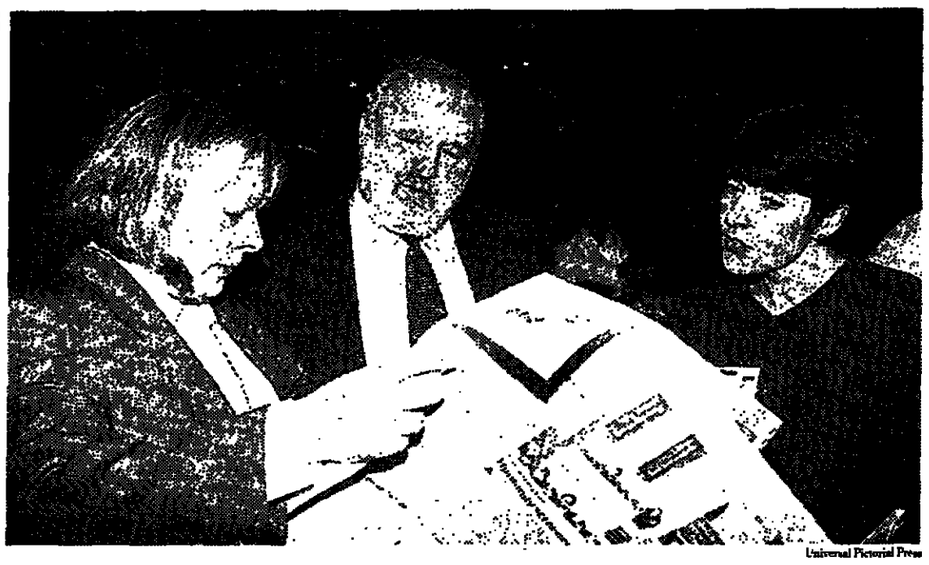
"A line has been drawn in history, and we'll never go back," said Dawn Primarolo, a 43-year-old former fiery leftist once known as Red Dawn who is the new minister-ranked financial secretary to the Treasury.

The House of Commons, more than 500 years old, didn't seat its first woman until 1919, when Lady Astor, born in Virginia as Nancy Langhorne, was elected from Plymouth, where her husband, Waldorf Astor, was viscount.

Voters sent Lady Astor back until 1945, when she retired.

Between the pioneering Lady Astor and this month's election, 166 women, by Angela Eagle's count, had served as members amid uncounted thousands of mostly aging men in a gray, pompous and polysyllabic procession.

A returning member, Ann Clwyd of Wales, is delighted at her new company in the House. "Till now I felt isolated," she said, saying her male colleagues used to jeer at, or "barrack" women. "I hated the throwaway comments we'd get after 10:30 at night when they'd been in the bars."



Universal Pictorial Press

Universal Pictorial Press

Parliament's new faces include Maria Eagle, above, and her twin, Angela, conferring with colleagues Frank Dobson and Dawn Primarolo. 'We now have a critical mass,' Angela Eagle says.

Mr. Blair's first encounter with Labour's 101 women in Parliament could not have been a clearer signal of new times.

The new members who were photographed around Mr. Blair looked, in short, like what they were: women of all sorts from all over the British Isles. Most are married with children. Well-educated and articulate, most became candidates after long membership in the party, often as elected members of local governments.

Among them is 28-year-old Ruth Kelly, an economist at the Bank of England who is eight months' pregnant. Claire Ward, at 25 the youngest, was warned she might be mistaken as a secretary at first.

There are also Yvette Cooper, a newspaper reporter representing a tough mining district in northern England, and Barbara Follett, one of 42 former teachers and college professors in Parliament. She is married to the novelist Ken Follett.

A veteran member, the actress Glenda Jackson, is a new minister in the Transport Department and, at 60, one of the oldest of Mr. Blair's appointments.

"What we will do is to make politics more relevant to people's lives — democracy is about consensus rather than imposing will," said Gisela Stuart, a 41-year-old law professor and pensions expert from Birmingham who has represented Britain on the fencing circuit.

In assaying the sudden shift in the public role of women, some commentators warn against premature cheers. Men still constitute 98 percent of judges and 93 percent of company directors in Britain, said Marcelle d'Argy Smith, a former editor of Cosmopolitan magazine.

Still, in the hallowed halls of Parliament, which is the heart of British democracy, the hands have spun faster toward change in the past few weeks than in the previous five centuries.

"We now have a critical mass," said Angela Eagle, named by Mr. Blair as a minister in the department of environment. "There are enough women in the institution to change the way it operates.

"There will be less 'Yeah! Boo!' politics, much more serious consideration of social justice issues with respect to women, like child care and part-time work," Ms. Eagle said.

"There will be more sensible debates on family issues. This is never going to be a 9-to-5 job, but there is no reason we cannot begin to accommodate the workload in a more sensible way."

Much of the Labour Party's new look was planned. Under Mr. Blair's predecessor as party leader, John Smith, who died in 1994, the party began to push actively for more female candidates, a trend continued under Mr. Blair.

Under an unabashed quota system, in some constituencies party leaders were asked to pick their candidate from a short list made up of women. A court ruled against the practice after some local parties complained, but others went out of their way to nominate women.

The big difference in this year's election was that more women were named to run in winnable seats — and that more seats proved winnable.

Many of the new members traveled the same road as Laura Moffatt, for 23 years a nurse at the hospital in Crawley, a new town about 50 kilometers (30 miles) south of London near Gatwick Airport. She joined Labour the day after it lost power in 1979 because, she said, "I thought if more people had tried, things might have turned out differently."

After she spending 18 years in the political wilderness, Laura Moffatt, RN, is now the Honorable Laura Moffatt, MP.

"It was the most wonderful feeling to emerge from the underground and see the Parliament," Ms. Moffatt said after her first postelection visit to the Victorian Gothic monument to democracy that will be her office for the next five years at a member's salary of $70,000 per annum.

"Inside, what struck me is how many other new members, perfectly ordinary people like me, were walking around looking awe-struck too," she said. "There were not professional politicians either, but people with a gut feeling they want to do something.

"Parliament is going to be a very different place. And particularly nice for women, because we have a voice that is likely to be listened to."

Tunnel Safety Criticized in Report on Fire Below Channel

By Fred Barbash
Washington Post Service

LONDON — An independent panel studying the November fire in the Channel Tunnel connecting Britain and France on Tuesday raised "serious questions as to the safety of the system" should a similar incident occur again.

The Channel Tunnel Safety Authority cited inadequacies in the tunnel's fire-detection equipment, of systems designed to prevent the spread of smoke, of communications links between emergency personnel and of staff training in the handling of crises.

All these deficiencies slowed the reaction to the first serious incident in the two-year-old, 51-kilometer (32-mile) tunnel beneath the Channel, a blaze that spread rapidly on a train carrying heavy trucks. Unlike the passenger train cars in the tunnel, the "heavy goods vehicles shuttle" cars are not individually sealed to prevent the spread of smoke and fire.

The authority said it must be convinced "that it is possible to ensure the safe evacuation of passengers in all circumstances" before it would allow commercial service to return to the level before the fire.

But the authority did not halt current services, which are carrying 500,000 passengers a month and about 240,000 tons of freight, or raise questions about the design of the truck-carrying trains, suspended since the blaze.

Jeremy Beech, a committee member, said the criticisms "do not immediately render the entire system dangerous or unsuitable." But Robin Currie, speaking for Britain's association of chief fire officers, said the organization was worried that the "overriding failure" of safety procedures in the tunnel applied to all services.

The cause of the November fire, the tunnel's first serious accident, is still under investigation by French authorities. Spreading quickly, the blaze destroyed 15 wagons on the train, along with the trucks on them. Some 30 truck drivers, who were sitting in a separate club car, were evacuated from the blaze, and eight suffered smoke inhalation after a train steward opened a sealed door to see what was happening.

The flames and intense heat severely damaged a portion of one of the tubes, which is still being repaired.

The report by the joint British-French Safety Authority said four security guards on the French side saw flames coming from the train as it sped into the tunnel and reported them as quickly as they could. But fire-detection systems inside the tunnel and on the train failed to give timely alerts to the staff of Eurotunnel, the company that operates the system, about the extent of the fire.

Once the fire was known, staff on either side of the tunnel could not communicate because the fire shut down an internal radio system. When communications were re-established, they were "submerged in an overload of information and alarms," the authority found. Instructions for emergencies were "either forgotten, incorrectly applied, applied too late or applied in the wrong order," the report said. The authority also found that fire-fighting conditions were "very cramped."

The authority instructed Eurotunnel to review and improve its training and the effectiveness of all of the equipment for dealing with emergencies.

In Budapest, Tourists Find $6,000 Meal Hard to Digest

The Associated Press

BUDAPEST — For one foreign tourist, dinner at a downtown Budapest restaurant turned into a nightmare: The bill for four people came to more than $6,000.

The incident May 2 was not isolated, Hungarian consumer-rights groups and foreign embassies said. Foreign visitors to Budapest are regularly charged exorbitant prices at some restaurants.

The Nepszabadsag newspaper reported that a Danish host entertained another Dane and two Hungarian women at the restaurant, and paid by credit card.

According to a photocopy of the bill published in the paper, four shots of cognac cost $330, four steaks came to $920 and a round of drinks for the Gypsy musicians, $3,200.

Part of the problem appeared to be the menu: While the Hungarian-language menu listed prices, the English, German and French-language menus did not.

The Hungarian menu listed a bowl of goulash soup for $3, while the Danish party was charged $65 for two servings.

And there was nothing the foreign patrons could do.

"This is not a police matter," said Laszlo Forgacs, the national police chief.

Tamas Karovits, president of the Hungarian Caterers Association, agreed.

"Unfortunately, there is no law allowing cancellation of such operators' licenses," he said. "In the catering business there are no fixed prices, not even ceiling prices."

"I'm horrified," said Susanne Baden Joergensen, the Danish Embassy attaché, on Monday.

She said the embassy was ready to take action once it heard from the customer.

Overcharging Western tourists is not uncommon in former Soviet bloc countries, but has been limited mostly to cab fares.

In Budapest, the U.S. Embassy has put five city restaurants and night spots on an advisory list for unethical business practices. Other embassies have similar plans.

TRAVEL UPDATE

Finnair Gets Tough

HELSINKI (AP) — Finnair is angry and it isn't going to take it anymore. It has decided to get tough on customers who behave badly on flights — by handcuffing passengers to their seats, canceling their return tickets and charging them with endangering flight safety.

Last year, 150 passengers on long-distance flights behaved rowdily, often apparently under the influence of alcohol or drugs, an official of the national carrier said Tuesday.

"It may not seem like a lot, but it is three times more than the previous year," said the official, Usko Maarta. "And when you consider all the other passengers on the same flights, you can say that they are causing a disturbance to up to 4,000 passengers."

Some passengers smoked in aircraft toilets; others kicked and tore at the clothing of flight staff. One even tried to strangle a stewardess, the official said. Passengers could be charged in Finland or in their home countries under international airline conventions.

Peru Punishes Airline

LIMA (AP) — The Peruvian government has ruled that the airline Faucett must temporarily suspend operations starting next week or pay a fine because of a crash that killed 123 people on Feb. 29, 1996. The government affirmed a previous ruling, saying that Faucett must suspend operations for 15 days starting May 20 or pay a fine of at least $44,000. El Peruano newspaper reported Monday.

Shetland Fishermen End Their Blockade

Reuters

LONDON — Shetland fishermen abandoned their blockade of Britain's biggest oil port Tuesday but vowed to keep up their fight for compensation after a tanker spill four years ago.

Fourteen shell-fishing boats blocked access to the giant Sullom Voe export terminal for a day and a half before heading home Tuesday afternoon.

The crews were protesting a lack of compensation from the International Oil Pollution Compensation Fund for damage to fishing grounds caused by the tanker Braer off the coast of the Shetland Islands in January 1993.

The fishermen say that the resulting pollution has depleted shellfish stocks and pushed some of them to the brink of bankruptcy.

U.S. to Require Ice Detectors on EMB-120s

New York Times Service

WASHINGTON — The Federal Aviation Administration has announced that a Brazilian-built turboprop of the type that crashed near Detroit in January is unusually vulnerable to icing, and the agency will require all planes of that model flying in the United States to be fitted with ice-detection equipment.

Only last year the agency gave the Brazilian plane, the Embraer EMB-120, a clean bill of health, after extensive tests of its airworthiness under icy conditions.

The tests were conducted after the ice-related crash in 1994 of another kind of turboprop in Roselawn, Indiana.

Then, this Jan. 9, an EMB-120 crashed in Monroe, Michigan, on its way to Detroit from the Cincinnati-Northern Kentucky International Airport. All 29 people aboard were killed.

The aviation agency said Monday that it would soon propose the mandatory installation of ice-detection equipment on the 220 EMBs being flown in the United States by Atlantic Southeast Airlines, Comair, Continental Express and United Express.

WEATHER

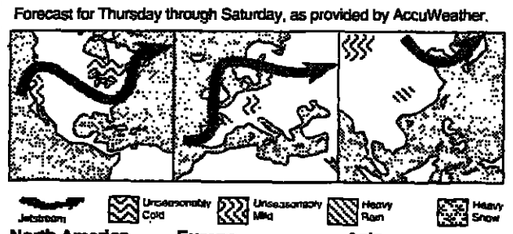
Europe

	Today High	Today Low	W	Tomorrow High	Tomorrow Low	W
	C/F	C/F		C/F	C/F	
Algarve	23/73	13/55	s	22/71	11/52	s
Amsterdam	17/62	8/46	pc	20/68	13/55	s
Ankara	26/79	7/44	pc	26/79	8/46	s
Athens	23/73	15/59	pc	23/73	16/61	s
Barcelona	22/71	14/57	pc	22/71	14/57	pc
Belgrade	27/80	12/53	s	28/82	14/57	s
Berlin	23/73	13/55	sh	21/70	13/55	c
Brussels	18/64	9/48	pc	21/70	15/59	r
Budapest	27/80	14/57	s	27/80	14/57	s
Copenhagen	14/57	7/44	r	18/61	8/46	s
Costa Del Sol	32/71	15/59	sh	34/75	13/55	pc
Dublin	14/57	7/44	pc	16/61	10/50	pc
Edinburgh	14/57	6/43	c	17/62	7/44	pc
Florence	28/82	16/61	pc	29/84	15/59	pc
Frankfurt	23/73	13/55	c	22/71	11/52	pc
Geneva	22/71	13/55	c	26/79	13/55	c
Helsinki	16/61	5/43	pc	11/52	4/39	r
Istanbul	24/75	13/55	pc	24/75	14/57	s
Kiev	25/77	15/59	pc	27/80	15/59	pc
Las Palmas	21/70	15/59	s	21/70	18/65	pc
Lisbon	21/70	12/53	s	19/66	12/53	pc
London	18/64	9/48	s	21/70	14/57	s
Madrid	21/70	11/52	sh	22/71	10/50	c
Mallorca	20/68	16/61	pc	21/70	16/61	pc
Milan	27/80	17/62	c	29/84	16/61	pc
Moscow	20/68	9/48	c	18/64	11/52	sh
Munich	24/75	13/55	c	24/75	12/53	pc
Nice	23/73	17/62	pc	25/77	17/62	pc
Oslo	12/53	6/43	r	16/61	6/43	pc
Paris	18/64	10/50	pc	21/70	15/61	r
Prague	26/79	13/55	c	25/77	12/53	c
Reykjavik	6/43	2/35	sh	5/41	2/35	c
Riga	17/62	12/53	pc	18/64	6/43	pc
Rome	28/79	14/57	pc	27/80	14/57	pc
St. Petersburg	17/62	7/44	s	14/57	3/48	r
Stockholm	14/57	5/41	c	13/55	4/39	pc
Strasbourg	23/73	14/57	sh	25/77	15/59	c
Tallinn	15/61	8/43	pc	12/53	5/41	r
Tbilisi	23/73	11/52	r	23/73	10/50	r
Vienna	27/80	17/62	pc	26/79	16/61	pc
Vienna	27/80	14/57	pc	27/80	14/57	s
Warsaw	26/79	15/61	pc	26/79	11/52	pc
Zurich	22/71	13/55	sh	24/75	13/55	pc

Middle East

Abu Dhabi	32/89	17/62	s	32/89	19/66	s
Beirut	27/80	18/64	s	27/80	18/64	s
Cairo	33/91	16/61	s	36/97	17/62	s
Damascus	29/84	14/57	s	32/89	14/57	s
Jerusalem	27/80	12/53	s	28/82	13/55	s
Luxor	42/107	19/66	s	43/107	21/70	s
Riyadh	37/98	23/71	s	39/102	23/73	s

Forecast for Thursday through Saturday, as provided by AccuWeather.



North America

Quite cool with rain in New York and Boston, but turning nicer over the weekend. The Midwest and the central Plains will be dry with some sun Thursday and Friday, but thunderstorms are likely Saturday. Warm and dry weather will continue across the West with plenty of sunshine

Europe

Warming up across most of Europe with lots of sunshine. London and Paris will be partly sunny with afternoon temperatures near 20 degrees, while Berlin and Rome will be in the middle 20s with lots of sunshine Southern France and Spain will have clouds and rain much of the time.

Asia

Thunderstorms in Beijing Thursday, then sunny and cooler into Saturday. Dry and turning warmer in western China, but the southeast will have showers. Warm and humid in Seoul Thursday, then thunderstorms Friday and cooler Saturday. Showers will reach Tokyo by late Friday or Saturday

North America

	Today High	Today Low	W	Tomorrow High	Tomorrow Low	W
	C/F	C/F		C/F	C/F	
Anchorage	11/52	3/37	c	13/55	4/39	pc
Atlanta	27/80	15/63	s	25/77	13/55	pc
Boston	19/66	11/52	pc	18/64	9/48	c
Chicago	15/59	4/39	sh	14/57	3/37	pc
Dallas	28/82	16/61	pc	27/80	15/59	pc
Denver	23/73	8/46	pc	23/73	8/46	pc
Detroit	14/57	5/43	sh	15/59	4/39	sh
Honolulu	26/79	19/66	pc	27/80	19/66	pc
Houston	31/88	18/64	pc	28/82	17/62	pc
Los Angeles	27/80	15/58	s	31/88	18/61	pc
Miami	31/88	22/71	pc	31/88	24/75	pc
Minneapolis	11/52	-1/31	sh	14/57	2/35	pc
Montreal	9/48	1/34	sh	12/53	1/34	sh
Nassau	30/86	23/73	pc	31/88	23/73	pc
New York	20/68	11/52	pc	20/68	11/52	c
Orlando	31/88	18/64	s	30/86	19/66	pc
Phoenix	38/100	23/73	s	37/98	23/73	pc
San Fran.	21/70	13/55	pc	25/77	13/55	pc
Seattle	13/73	12/53	c	23/73	12/53	c
Toronto	7/44	-1/31	sh	9/48	3/37	c
Vancouver	23/73	13/55	r	22/71	13/55	pc
Washington	21/70	12/53	pc	21/70	11/52	r

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Wea. W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Asia

	Today High	Today Low	W	Tomorrow High	Tomorrow Low	W
	C/F	C/F		C/F	C/F	
Almaty	24/75	6/46	pc	23/73	10/50	pc
Bali	34/93	22/71	s	34/93	22/71	s
Bangkok	34/93	25/77	pc	34/93	25/77	pc
Beijing	34/93	19/66	s	31/88	17/62	pc
Bombay	34/93	24/75	s	33/91	25/77	s
Calcutta	37/98	23/73	s	36/97	24/75	sh
Cheung Mei	35/95	23/73	pc	35/95	23/73	pc
Colombo	29/84	24/75	r	28/82	23/73	r
Hanoi	29/84	23/73	sn	29/84	24/75	c
Ho Chi Minh	34/93	25/77	pc	33/91	25/77	pc
Hong Kong	27/80	23/73	sh	28/82	23/73	c
Islamabad	36/97	18/64	s	36/97	19/66	s
Jakarta	31/88	24/75	r	31/88	24/75	sh
Karachi	37/98	23/73	s	37/98	24/75	s
K. Lumpur	32/89	23/73	sh	32/89	23/73	c
K. Kinabalu	31/88	22/71	sh	32/89	22/71	pc
Manila	32/89	22/71	c	32/89	22/71	pc
New Delhi	42/107	24/75	s	41/106	24/75	s
Phnom Penh	33/91	23/73	r	33/91	24/75	pc
Phuket	34/93	25/77	pc	34/93	25/77	pc
Rangoon	34/93	25/77	pc	33/91	24/75	pc
Seoul	23/73	14/57	c	27/80	16/61	pc
Shanghai	27/80	20/68	r	28/82	21/70	pc
Singapore	32/89	22/71	sh	32/89	22/71	pa
Taipei	29/84	23/73	pc	29/84	22/71	sh
Tokyo	22/71	22/71	r	26/79	21/70	r
Vientiane	28/84	24/75	sh	30/86	24/75	c

Africa

Algiers	28/82	16/61	pc	19/66	12/53	r
Cape Town	19/66	10/50	pc	21/70	10/50	s
Casablanca	18/64	11/52	pc	18/64	11/52	r
Harare	31/88	11/52	s	32/89	11/52	s
Lagos	29/84	23/73	pc	30/86	23/73	pc
Nairobi	25/77	14/57	c	26/79	14/57	sh
Tunis	27/80	14/57	pc	22/71	13/55	sf

Latin America

Buenos Aires	22/71	11/52	pc	21/70	12/53	pc
Caracas	29/84	23/73	pc	30/86	24/75	pc
Lima	24/75	18/64	pc	23/73	18/64	c
Mexico City	24/75	11/52	pc	25/77	11/52	pc
Rio de Janeiro	21/70	14/57	sh	20/68	16/61	pc
Santiago	21/70	5/41	pc	18/64	4/39	pc

Oceania

Auckland	10/91	11/52	pc	17/62	11/52	sf
Sydney	19/66	13/55	s	18/64	14/57	c

Corrections

A photo caption in the May 12 issue concerning the earthquake in Iran should have stated that the child was injured, not dead.

An article in the May 8 issue incorrectly attributed a comment that the conviction of Dusan Tadic was the first judicial condemnation of "ethnic cleansing" in Bosnia. The statement was from the tribunal's press office, not the presiding judge.

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Tunnel Safety Criticized in Report on Fire Below Channel

By Fred Barbash

LONDON — An independent panel studying the November fire in the Channel Tunnel connecting Britain and France on Tuesday raised "serious questions" about the safety of the system and said a similar incident occur again.

The Channel Tunnel Safety Authority cited inadequacies in the tunnel's fire-detection equipment, of systems designed to prevent the spread of smoke, of communications links between emergency personnel and of training in the handling of crises.

All these deficiencies slowed the reaction to the first serious incident in the two-year-old, 31-kilometer (19-mile) tunnel beneath the Channel, a blaze that spread rapidly on a train carrying passenger trains, cars, heavy goods vehicles and individually ... to prevent the spread of smoke and fire.

The authority said it must be ... possible to ensure safe evacuation of passengers in all circumstances ... before it would allow ... to return to the tunnel.

But the authority did not fault ... carrying 500 ... about 200 ... questions ... concerning the ...

Witness in Bomb Trial Says He Changed Story

Defense Seizes Upon Altered Account

The Associated Press

DENVER — A main prosecution witness against Timothy McVeigh in the Oklahoma City bombing acknowledged Tuesday under cross-examination that his story had completely changed since the blast, and so had his appearance and his speech.

"Of course I'm changing my language," the witness, Michael Fortier, testified. "I'm not going to sit here and curse in front of all these people."

With his hair nearly cut, his beard shaved off and his earring gone, Mr. Fortier took the stand in a pressed suit for a second day to testify under a plea bargain that Mr. McVeigh had spent months planning the April 19, 1995, federal building blast that killed 168 people and injured hundreds.

Mr. McVeigh's attorney, Stephen Jones, suggested that Mr. Fortier was lying to cover his own role, saying he actually had rented a storage shed to store explosives, but claimed Mr. McVeigh had done it.

"No sir, that's not true," he said. "Not at all."

In nearly an entire day on the stand, Mr. Fortier insisted he was telling the truth when he testified Mr. McVeigh had inspected the federal building months before the blast.

Mr. Fortier said Mr. McVeigh, driven by rage over the 1993 government siege at Waco, Texas, wanted to bomb the building to "cause a general uprising in America."

Mr. Fortier said he had refused to join the plot and had learned of the bombing while watching television: "Right away I thought Tim did it."

Fearful he would go to prison and even be executed, Mr. Fortier said he initially had lied to everybody, including the FBI and the media, insisting Mr. McVeigh was innocent. He said he finally came clean and agreed to cooperate when he was faced with testifying before a grand jury.

Mr. Jones seized upon the changing stories when he began his cross-examination Monday, suggesting that Mr. Fortier was slanting his testimony against Mr. McVeigh to secure a lenient sentence recommendation from prosecutors.

Mr. Fortier has pleaded guilty to four federal charges, including failure to report the bombing plot and lying to the FBI. He faces as many as 23 years in prison, but likely will get less because of his testimony.

Mr. Fortier confirmed that he had told his brother John after Mr. McVeigh's arrest: "I've been thinking about trying to do those talk-show circuits for a long time, come up with some asinine story and get my friends to go in on it."

Mr. Jones asked Mr. Fortier if, during the same conversation with his brother, he had said with a laugh, "I could tell stories all day."

"Yes, sir," Mr. Fortier replied.

Mr. Jones noted that Mr. Fortier had told another friend he wanted to "wait till after the trial and do book and movie rights. I can just make up something juicy."

Yet Mr. Fortier told Mr. Jones he knew his phones were bugged because he was a suspect, and said he was just talking trash with friends. He said he owed it now to the victims to tell the truth.

Mr. McVeigh, a 29-year-old Gulf War veteran, could get the death penalty if convicted. A co-defendant, Terry Nichols, is to be tried later.

Fred Chartrand/The Associated Press

Mr. Chretien, left, responding to Mr. Manning. Jean Charest of the Progressive Conservatives is at center.

Campaign Foes Assail Chretien Over Quebec

The Associated Press

TORONTO — Prime Minister Jean Chretien's cautious strategy for keeping Quebec in Canada came under fire as he and four rivals engaged in the only full-fledged television debate of Canada's federal election campaign.

Mr. Chretien, a heavy favorite to win in the balloting June 2, said Monday he espoused an approach toward Quebec that would gradually give it and other provinces more control over various programs.

But Gilles Duceppe, leader of the separatist Bloc Quebecois, said the largely French-speaking province would never be satisfied with anything short of independence.

From Mr. Chretien's other flank, Preston Manning, leader of the rightist Reform Party, said Mr. Chretien was going too far in offering Quebec privileges not given to other provinces. He accused Mr. Chretien of having been unprepared for the separatists' strong showing in a 1995 independence referendum, when they won 49.4 percent of the votes.

POLITICAL NOTES

Cohen Backs '2 War' Doctrine

WASHINGTON — Defense Secretary William Cohen says a major review of the structure of U.S. forces will reaffirm one of the Pentagon's central post-Cold War assumptions: The United States needs to retain the military strength to fight two regional wars nearly at once.

Mr. Cohen also signaled his intention to announce "some marginal reductions in the current force" to help finance the purchase of new weapons and equipment. He did not offer specific numbers, although other defense officials said last week that about 60,000 active-duty personnel would be cut from the current force of 1.45 million.

With defense spending likely to remain at most flat into the next decade, and with U.S. forces becoming increasingly involved in time-consuming peace operations, the notion that the Pentagon could continue to prepare for two regional wars while embarking on a stepped-up modernization program is seen as highly dubious by many defense experts.

But Mr. Cohen said the two-war requirement was essential for the United States to protect interests around the world. *(WP)*

Sorry, That's Classified

WASHINGTON — Representative David Skaggs, Democrat of Colorado, was quizzing the head of administrative services at the CIA about classified material a while ago. How much, he asked, did the agency spend each year on classification?

Well, the official said, that information is classified. Mr. Skaggs persisted: "Why is that?" he asked. "'I'll have to get back to you on that,'" he recalled the official saying. He's still waiting.

In the federal government, there is perhaps nothing so wonderfully Byzantine as a secret. You literally don't know what you don't know. And if you did know what you don't know, you still couldn't know it. That's called the need to know, and unless you have it, you may never know.

But what we do know, courtesy of the Information Security Oversight Office of the National Archives, is that the government — except the CIA — spent $5.23 billion on classification last year.

Mr. Skaggs would like to demystify democracy by shrinking the number of secrets, and hopes that holding down classification costs will cause the amount of classified material to decline. *(WP)*

Plan to Improve Food Safety

WASHINGTON — The Clinton administration has proposed a $43 million plan to improve the safety of the American food supply. If fully financed by Congress, the initiative could help prevent some of the nearly 9,000 food-poisoning deaths that occur in the United States each year, administration officials said.

The plan would institute high-tech food inspection and monitoring systems from farm to market, educating food industries and consumers about how to more safely process and prepare food. It also would create a nationwide network of food safety "sentinel sites" to quicken and improve the government's reaction to disease outbreaks.

"When children reach for a piece of food, parents deserve to have peace of mind," Vice President Al Gore said at a news conference announcing the five-step proposal. The program would require $43.2 million of the fiscal 1998 budget.

President Bill Clinton announced in January that he would request $43.2 million for food safety initiatives in the coming budget and called for a report from the Agriculture Department, Health and Human Services and the Environmental Protection Agency that would draw together recommendations on ways to improve the food safety system. That 50-page report was made public Monday. *(WP)*

Quote/Unquote

Michael McCurry, President Clinton's spokesman, as the Senate prepared to debate a bill by Tom Daschle, Democrat of South Dakota, as an alternative to a proposal Mr. Clinton vetoed last year to ban some late-term abortions: "We are looking very carefully at Senator Daschle's proposed language. We believe it's possible for the White House to support that language." *(AP)*

Deep Blue's Dizzying Move

By Spurning Conventional Play, the Computer Threw Kasparov (Who Now Wants Revenge)

By Bruce Weber
New York Times Service

NEW YORK — What would you call it? A no-brainer?

On move 35 of Game 2 in its six-game match last week with the world chess champion, Garry Kasparov, the IBM computer Deep Blue took a knight with its bishop. It was expecting, along with just about every grandmaster on the planet, that after Mr. Kasparov took the computer's bishop in return, it would slide its queen into a threatening position deep into the human's side of the board. The move Qb6, queen to square b6, was all but assured.

Not quite. Looking way out into the hypothetical future, Deep Blue noticed that Qb6 was not the path to victory, but *the road to oblivion.* Indeed, as it looked ahead, ply by ply (a ply is computer chess jargon for a move by one player), Qb6 looked worse and worse. So it decided to search for an alternative.

Using almost two minutes of what its programmers call "panic time," the machine came up with a pawn exchange it liked better.

Thus began the sequence of moves that flummoxed Mr. Kasparov enough that he blamed it for upsetting his concentration in the four games to follow, leading to his historic defeat. Ever since Game 2, which Deep Blue won, he had been asking for a printout of the computer log of the vital sequence, so he could see for himself how the computer made its extraordinary choice, and perhaps to palliate his suspicion that a human had intervened.

On Monday, the scientists who programmed Deep Blue finally gave him what he was asking for. But the champion's side remained unsatisfied.

"The log tells you, 'O.K, I don't like this line, I like a better line,'" said Frederick Friedel, Mr. Kasparov's computer adviser. "But why does it like that line better? That it doesn't tell you, and of course that's the crucial question."

Mr. Kasparov, who resigned the final game of the match in a losing position Sunday, saying he was ashamed of his play, declined to be interviewed Monday. But Mr. Friedel said the champion intended to challenge Deep Blue this week to a third match — Mr. Kasparov won the first contest against a less sophisticated and less powerful version of the computer in February 1996 in Philadelphia — to be played in late summer or autumn.

He talked of that possibility Sunday, suggesting a 10-game match spread over 20 days. Mr. Friedel also said that in such a rematch, Mr. Kasparov would not be considered a partner with International Business Machines Corp., furthering the cause of computer science. Instead, he said, "Garry would come as a hostile opponent."

Mr. Friedel said that the match would have to be sponsored by an organization other than the computer giant. Whatever the prize fund, Mr. Friedel said, Mr. Kasparov would suggest that the winner take all. In the match that ended Sunday, Mr. Kasparov got $400,000, with $700,000 to the IBM side.

"He wants his revenge," Mr. Friedel said. "Yesterday evening, it was, 'I can't be bothered with this.' But this morning, it was, 'O.K., I want to get them.'"

Moles Can Provide Best Clue to Risk of Deadly Skin Cancer

The Associated Press

CHICAGO — The risk of developing the most deadly kind of skin cancer can best be estimated by evaluating the number, size and appearance of moles on a patient's skin, a new study says.

Moles are a better predictor of malignant melanoma than the next best gauge, which is sun exposure, said the lead author of the study, Dr. Margaret Tucker of the National Cancer Institute.

Scientists have known for years that the presence of a certain type of abnormal mole, a displastic nevus, is a strong predictor of melanoma. Typical abnormal moles were identified as ones that are large in size, flat, have varying color, asymmetry and indistinct borders.

Researchers found that people with one abnormal mole were about twice as likely to have developed melanoma as people with no abnormal moles. The more abnormal moles, the higher the risk. The findings are to be published Wednesday in The Journal of the American Medical Association.

Editor Criticizes His Paper's CIA Series

By Howard Kurtz
Washington Post Service

WASHINGTON — The executive editor of the San Jose Mercury News has acknowledged that the paper's controversial articles suggesting a link between the Central Intelligence Agency and cocaine trafficking were "oversimplified," omitted important conflicting evidence and "fell short of my standards."

In a column published Sunday, Jerry Ceppos, the editor, said the series "strongly implied CIA knowledge" that a drug ring linked to U.S.-supported rebels in Nicaragua was selling crack cocaine in Los Angeles in the 1980s.

"I feel that we did not have proof that top CIA officials knew of the relationship," Mr. Ceppos wrote. "We also did not include CIA comment about our findings, and I think we should have."

He added that the series "fell short of my standards for the Mercury News" in the writing, editing and production of the articles.

The series' author, Gary Webb, called the column "bizarre," "misleading" and "rather nauseating."

Mr. Webb's series in August sparked a furor in the United States, particularly among some black politicians, journalists and radio hosts who asserted that the CIA had deliberately spread crack to inner-city communities. The uproar led to investigations, which are still under way, by the CIA, the Justice Department and Congress.

Three newspapers — The Washington Post, the Los Angeles Times and The New York Times — published lengthy articles that challenged major parts of the series. In response to such criticism, the San Jose paper last year acknowledged some deficiencies in the articles and said some people misinterpreted them, but it generally stood by Mr. Webb's reporting.

Rem Rieder, editor of the American Journalism Review, which also criticized the series, called the column a "significant, major correction." He said the episode represented "another dark day for journalism" because "it's now accepted by a lot of people in this country that the CIA was behind the crack cocaine epidemic."

But Mr. Rieder said Mr. Ceppos's column was "painfully honest."

The Webb series reported that two former Nicaraguan rebel sympathizers, Oscar Danilo Blandon and Juan Norwin Meneses, sold cocaine in South Central Los Angeles and sent "millions" of dollars in profits to the Nicaraguan rebels.

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Away From Politics

A Danish actress who left her 14-month-old daughter in a stroller outside a New York restaurant while she and the baby's father sat inside at a window table was charged with endangering the welfare of a child. Annette Sorensen, 30, of Copenhagen, spent two nights in jail before her arraignment. *(AP)*

A racist's vanity license plates, bearing the name of a gas used to murder Jews in Nazi death camps, have been recalled by Virginia officials. The plates, which read "ZYKLON B," had been issued to Ryan Maziarka, 21. He was convicted two years ago of painting racial and religious slurs on a mostly black church. *(AP)*

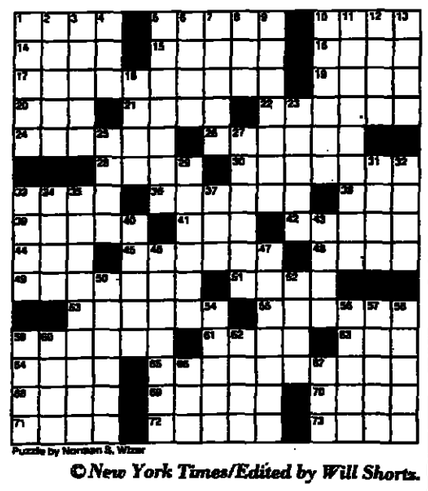
Mandatory long-term prison sentences for lower-level drug users and dealers are not effective and should be scrapped in favor giving judges discretion to order offenders to serve shorter terms and undergo treatment, Rand Corp. said in a study. *(LAT)*

A white former paratrooper was spared the death penalty in the 1995 murder of a black couple in Fayetteville, North Carolina. The jury sentenced Malcolm Wright Jr. to life in prison without the possibility of parole. *(NYT)*

CROSSWORD

ACROSS
1 *Serve with a* summons
5 "Casino" co-star, 1995
10 Castaway's transportation
14 Copper containers
15 Hybrid citrus fruit
16 Perry's creator
17 Egyptian actress?
19 Jar
20 Ar's follower
21 Novelist Jean
22 Come to
24 Last frame, sometimes
26 Chorus syllables
28 Winter resort *rentals*
30 Like some drugs
33 It may be hooked
35 Philippic
36 Navigator's dir.
39 Garfield's predecessor
41 Setting for a place setting
42 Room to —
44 "Gotcha!"
45 Guesses
46 — out *(manages)*
48 Pleasing to the ear
51 Bridge
53 Waste gases, e.g.
55 Storm
58 Fivesome
61 Twelve Oaks neighbor
62 Trifle
64 House of Leo?
65 *Egyptian* heavyweight?
68 1995 N.C.A.A. basketball champs
69 Overact
70 Personal prefix
71 "— My Girl" *(1967 hit)*
72 Fabulous
73 Get dewy-eyed

DOWN
1 Hale-Bopp, e.g.
2 People with "O'" names
3 Flirt
4 Paranormal ability
5 Strong praise
6 Where 2-Down live
7 Baby-size
8 Murmur
9 Went all the way, as a smoker
10 *Used car deal,* e.g.
11 Egyptian second banana?
12 Kind of pipe
13 Ky.-Ala. divider
18 Amount of hair
23 Evanesces
25 Salinger dedicatee
27 Playing marbles
28 "My love is like a red, red rose," e.g.
31 Apropos of
32 Medium grades
33 "Eh?"
34 Island near Kauai
35 Egyptian actor?
37 Commanded
40 Bulgaria's capital
43 Pocket protector items
46 Splash sites
47 Thinner
50 They're cast in a cast of thousands
52 "Immediately!"
54 Sitting place
56 Offhand remark
57 Ancient land on the Aegean
59 Egypt's Temple of —
59 In addition
60 Individually
62 You have to be upfront about this
66 Big bird
67 Top 10 song, say



Puzzle by Norman S. Wizer

©New York Times/Edited by Will Shortz.

Solution to Puzzle of May 13

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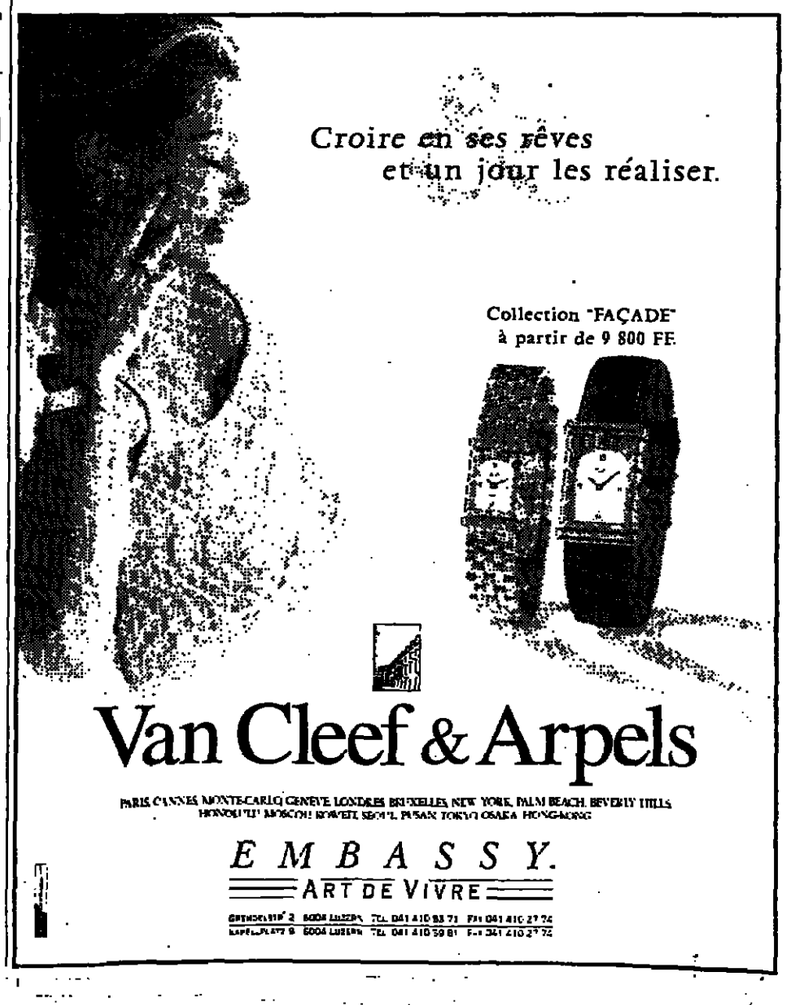
Harry's
Est. 1911, Paris
"Sank Roo Doe Noo"
A Space for Thought.



ASIA/PACIFIC

Vote Against Leaders Falls Short in Taiwan

Compiled by Our Staff From Dispatches

TAIPEI — Taiwan's governing party narrowly defeated a symbolic no-confidence motion Tuesday brought by opposition legislators capitalizing on a public outcry against rising crime.

The Nationalists won the vote in the upper house, the Legislative Yuan, 78 to 76, with one abstention. The opposition Democratic Progressive Party and the New Party proposed the motion in hopes of toppling Prime Minister Lien Chan.

The escalating political crisis, which has shaken the government of President Lee Teng-hui as well as Taiwan's financial markets, received a further jolt Tuesday after the police disclosed the second kidnapping and murder of a teenager in a month.

Opposition leaders angry about Mr. Lee's crime-fighting record also filibustered the lower house, the National Assembly, preventing the president from delivering a keynote annual address.

"Public safety has reached such a stage that we had no choice but to hold this protest to reflect the anxiety of the people," said a New Party deputy, Wang Chih-ping.

Mr. Lee has issued an apology through his spokesman, but the opposition wants him to say that he is sorry in person.

Mr. Lee, whose speech to the National Assembly had already been made public in draft form, left the assembly hall without commenting on calls for him to apologize for what he recently described as "worsening social law and order."

Prime Minister Lien was expected to unveil a modest cabinet reshuffle Wednesday, but opposition lawmakers — and a broad segment of the public — say they will accept nothing short of his dismissal.

The Legislative Yuan does not have the power to vote out the prime minister, and the motion would not have been binding. But the vote was nevertheless seen as a serious attack on the slumping prestige of the Nationalists, who have governed Taiwan since 1949.

Mr. Lien appeared ready to heed the demands for his departure, telling a television call-in show late Monday that he was willing to resign, though not before constitutional reforms were enacted by the National Assembly in July.

"The recent situation has caused people unease," he said. "It's time for me to consider taking responsibility. But many limits and circumstances prevent me from leaving my current post. That is why I decide to stay on."

Anti-government sentiment erupted April 28 when the police found the body of the 17-year-old daughter of a popular actress floating in a river. A manhunt with late-night checkpoints by heavily armed policemen has failed to find the three key suspects.

The police said Tuesday that two days after the revelation of that kidnapping and murder, 15-year-old Tsai Chih-hsin was abducted and killed before his parents could respond to kidnappers' demands for a ransom of 3 million Taiwan dollars ($108,000).

The crimes rekindled anger over the unsolved gangland-style murder of a county magistrate and seven others in his home in November and an opposition leader's murder two weeks later.

"The intensifying political confrontation between the ruling and opposition parties will have a significant impact on Taiwan," said Lu Ya-li of National Taiwan University. "With both ruling and opposition parties showing no signs of concession, the stalemate will slow the pace of many crucial political and constitutional reforms.

"The Nationalists," he said, "should adopt a large-scale cabinet reshuffle to solve the crisis." *(AP, Reuters)*

Tsugufumi Matsumoto/The Associated Press

Ambassador Morihisa Aoki leaving the Japanese Parliament on Tuesday after his resignation.

Japanese Envoy Resigns Over Peru

By Sheryl WuDunn
New York Times Service

TOKYO — The Japanese ambassador to Peru, whose fighting spirit helped keep peace of mind among his 70 fellow hostages for four months in Lima, announced his resignation Tuesday to the Japanese Parliament.

The ambassador, Morihisa Aoki, seemed to be bowing to public pressure to take responsibility for the hostage standoff at his residence in Lima. That crisis ended April 22 when Peruvian soldiers stormed the residence, rescued all the hostages but one and killed all 14 rebels. Three commandos died in the raid.

"I feel very sorry that the incident, which occurred during a reception I had hosted, caused massive pain to a number of people, including those from the private sector," Mr. Aoki told members of Parliament. "I am painfully aware of my responsibility for causing anxiety."

After his return to Japan on April 28, Mr. Aoki was summoned to the Parliament amid criticism of his handling of the hostage crisis and of his lax management of security, which was sparse on Dec. 17, when rebels of the Tupac Amaru Revolutionary Movement took as hostages more than 500 guests at an evening reception honoring the Japanese emperor.

"Terrorism in Peru had been in steady retreat," said Mr. Aoki, explaining his actions on Tuesday. "I didn't imagine that the residence would be come the target of their assault."

During the crisis, Mr. Aoki had been hailed as a hero, a strong force who helped keep spirits high among the hostages.

But the warmth for him in Japan gradually seemed to vanish, and by April critics were pointing out that at his homecoming news conference, Mr. Aoki did not publicly apologize, while the ordinary Japanese hostages apologized for causing an international disturbance.

Moreover, local Japanese newspapers and magazines have recently published accounts of former hostages criticizing the way Mr. Aoki treated them, saying he was reluctant to pass on information to them about the status of any rescue. Some said he refused to help pass messages to the outside, that he quarreled after drinking and that he spoke harshly to fellow hostages.

Mr. Aoki, still weak from his ordeal and using crutches to walk, is said to have been devastated by the recent public criticism. Foreign Minister Yukihiko Ikeda accepted his resignation, and the cabinet is expected to approve it.

BRIEFLY

Jakarta Puts Curbs On Rival Alliance

JAKARTA — Indonesia has cracked down on a growing alliance between supporters of a Muslim-led minority party and the ousted leader of a rival party ahead of the general election May 29, military and state officials said Tuesday.

Lieutenant General Syarwan Hamid, the armed forces' chief of socio-political affairs, said authorities had banned the display of banners and pictures of Megawati Sukarnoputri of the Indonesian Democratic Party at campaign rallies organized by the United Development Party.

Supporters of Mrs. Megawati, who was ousted as head of the Indonesian Democratic Party by a government-backed faction, have been attending rallies of the United Development Party carrying banners depicting an alliance.

The two opposition parties and President Suharto's ruling Golkar party are the only three parties allowed to contend the 425 seats at stake. *(Reuters)*

South Asia Leaders Focus on Poverty

MALE, The Maldives — South Asian leaders met privately Tuesday to discuss how they could improve trade and raise the standard of living in their impoverished countries.

The leaders of India, Pakistan, Nepal, Bangladesh, Sri Lanka, Bhutan and the Maldives discussed proposals for a dismantling of tariffs and quotas to broaden trade within the region.

Their target is to largely eliminate poverty in South Asia, where 40 percent of the world's poorest people now live. *(AP)*

Earthquake Hits Southern Japan

TOKYO — An earthquake hit the southern Japanese island of Kyushu on Tuesday, setting off landslides and injuring 27 people.

The quake, with a preliminary magnitude of 6.2 on the Richter scale, was centered near the town of Sendai, the Central Meteorological Agency said. *(AP)*

For the Record

The trial of former Prime Minister P. V. Narasimha Rao in a vote-buying case has been postponed by an Indian court until Aug. 8, Mr. Rao's counsel said. The trial date had been set for Wednesday. *(Reuters)*

Miners at Busang Seize 2 Managers

The Associated Press

JAKARTA — Two Indonesian managers for the Canadian prospecting company Bre-X Ltd., which is at the center of a gold-mining hoax, are being held by hundreds of mine workers who are afraid they will not be paid severance, news reports said Tuesday.

The official Antara news agency said the managers had been held at the Busang camp since Sunday.

The military commander in Kalimantan Timur Province, Aji Suryantata Kesuma, told Antara that he doubted the managers were hostages, but that they were being held "only so the company will not fail to fulfill its obligations to workers who will be laid off."

UN View of North Korea: 'Famine in Slow Motion'

By Rone Tempest
Los Angeles Times Service

BEIJING — After a weeklong inspection tour of North Korea, a team of United Nations food relief experts says it found the country in a state of "near famine" but saw no evidence of starvation deaths, cannibalism or military food rampages reported by refugees and other travelers in Asia's most secretive state.

Tun Myat, leader of the UN World Food Program team that left North Korea on Sunday after traveling across the country by train and inspecting ports and hospitals, described the situation as "famine in slow motion."

"This is not a case like you see in Somalia or Sudan," Mr. Myat said in a press conference here. "This is not a desert. There are trees and water. There is no war, no large displacements of people."

The UN team's observations do not match some portrayals of hardship and starvation related by ethnic Korean Chinese and North Korean refugees who have flooded into Chinese border cities in recent months. Some refugees said they witnessed hundreds of starvation deaths. Others reported rogue North Korean army units roaming the countryside and stealing food at gunpoint.

The stories are fueled by the secretive nature of North Korea's isolationist régime, which allows foreign visitors, including the UN team, only under strict supervision. No reporters have been allowed access to the areas said to be most affected by food shortages.

"We saw no case of the military taking food away from civilians," Mr. Myat said.

Brigitta Karlgren, a World Food Program official based in Pyongyang, said she had traveled extensively in North Korea in recent months without seeing signs of starvation deaths.

"It is not like it was with the refugees in Cambodia in 1975," Ms. Karlgren said. "They died by the roadside there. I saw them."

But the experts described North Korea as a crumbling, broken country where local governments sell scrap iron for food and hungry peasants eat cakes milled from corn cobs and pine bark — a country that desperately needs massive international food aid to survive. "Our overwhelming impression," said Mr. Myat, "is one of a country under severe hardship, under great strain from food shortages and near-famine conditions. They are getting by, one way or another."

Mr. Myat said the inspection team visited one northern province with a population of 2.2 million that on May 3 had only 600 tons of grain left in its warehouses. Peasants there are eating seaweed, corn cobs, mushroom stems and other substitutes to stave off their hunger.

"What in other countries would have been thrown away or used for animal food were being milled and eaten," Mr. Myat said. "How long until the dire effects of malnutrition take hold I cannot tell you. But possibly because of these alternative foods, we are not yet seeing the sort of deaths we otherwise might already have expected."

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Jakarta Puts Curbs On Rival Alliance

JAKARTA — Indonesia has cracked down on a growing alliance between supporters of a Muslim-led minority party and the ousted leader of a rival party ahead of the general election May 29, military and state officials said Tuesday.

Lieutenant General Syarwan Hamid, the armed forces' chief of socio-political affairs, said authorities had banned the display of banners and pictures of Megawati Sukarnoputri of the Indonesian Democratic Party at campaign rallies organized by the United Development Party.

Supporters of Mrs. Megawati, who was ousted as head of the Indonesian Democratic Party by a government-backed faction, have been attending rallies of the United Development Party, carrying banners depicting an alliance.

The two opposition parties and President Suharto's ruling Golkar party are the only three parties allowed to contend the 425 seat assembly. (Reuters)

South Asia Leaders Focus on Poverty

MALE, The Maldives — Some South Asian leaders met privately Tuesday to discuss how to reduce the number of people living in poverty in their impoverished countries.

The leaders of India, Pakistan, Nepal, Bangladesh, Sri Lanka, Bhutan and the Maldives were preparing to attend the opening session of the seven-nation South Asian Association for Regional Cooperation on Wednesday. The group's goals include reducing the number of people living in poverty by the year 2002. (AP)

Earthquake Hits Southern Japan

TOKYO — An earthquake measuring 5.9 on the Richter scale struck southern Japan on Tuesday, but there were no reports of damage or injuries, officials said. (Reuters)

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EUROPE

David Hoffman/The Washington Post

Sergei Goncharov, an ex-KGB officer in the guard business, calls bandits the 'fifth power' in Russia.

Russian Business Wars: The 'Invisible Hand' With Guns

By David Hoffman
Washington Post Service

MOSCOW — Vasili Naumov, head of a notorious Moscow gang, stopped his BMW 525 sedan with tinted windows near the Moscow police headquarters in the early evening of Jan. 23. Two bodyguards waited in a small Russian Zhiguli car just behind him.

Mr. Naumov answered his mobile phone. Suddenly, another car pulled up alongside him, an automatic rifle pumped 18 bullets through the side window and Mr. Naumov died behind the wheel, within meters of the police building.

The brazen killing underscored the seeming helplessness of the poorly paid, outnumbered Russian police. But Mr. Naumov's slaying was followed by an even more startling disclosure.

According to police investigators, the bodyguards who were supposed to be protecting the gangster were themselves policemen, members of an elite paramilitary unit known as Saturn. They were guarding Mr. Naumov under a contract signed by their bosses for extra cash.

The episode is just one glimpse of a deepening and corrosive threat to Russia's young democracy and free-market economy: the breakdown of law enforcement and the proliferation of private armies and protection rackets prone to ruthless gangland tactics.

"In Russia, everyone acknowledges there are four powers — the executive, legislative, judicial and the mass media. But they don't speak of the fifth power," said Sergei Goncharov, head of a group of former elite KGB troops that now protects Russian businesses.

"The fifth power is the power of bandits. And I would never put the power of the bandits in fifth place. In Russia, it seems the power of bandits is somewhere close to first, second and third."

The collapse of the Soviet Union in 1991 put immense riches up for grabs — vast deposits of natural resources, sprawling factories and lucrative businesses, including airlines and television networks, that the state had owned for decades.

But the massive transfer of property to private hands, a necessary step to create a free-market economy, has turned into a vicious struggle for wealth in which the rule of law has never been established. Former Soviet bureaucrats, factory directors, aggressive business people and criminal organizations have all made a grab for the bounty through insider deals, bribery and brute force.

The Russian economy has taken on an oligarchic structure, in which conglomerates, often allied with powerful politicians, compete for grand fortunes — and sometimes resort to violence.

Many leading Russian business tycoons say they want to put behind them this period of lawlessness.

Yet, faced with the current chaos, they are building private armies of security agents, bodyguards and commercial spies.

"There's a frightening war taking place," said Alexander Minkin, a muckraking journalist for the weekly newspaper Novaya Gazeta. "The private power structures have privatized everything.

"They've taken our industry, our land, and they've taken our security for themselves. If the security is protecting someone like Naumov, they have neither the time nor money to protect me."

Mr. Goncharov, a 15-year-veteran of the KGB's once secret Alpha unit, said business people had little choice but to recruit their own private security forces.

"They do not trust the state," he said. "If they relied on the state, then you wouldn't see them riding around Moscow in a convoy."

Russia's capitalists have spent millions of dollars for protection. They have bought armor-plated cars, bomb sensors, hidden cameras, bulletproof vests, anti-wiretapping gear and thousands of weapons. They have recruited veterans of the Afghan and Chechen wars as their bodyguards.

But money has not bought them peace. Street crime is not the issue; it is contract killings.

In the last four years, said Vitali Sidorov, executive director of the Association of Russian Banks, 116 attempts have been made on the lives of Russian bankers and their workers. Seventy-nine of them were killed. He said the assassins and their clients had not been apprehended "in 80 to 90 percent of the cases."

As legitimate Russian businesses and foreign companies are forced to confront the underside of Russian capitalism, they often turn to the murky world of the Russian institution known as the *krysha*, which literally means "roof." As a slang word, it refers to a criminal protection racket, such as a gang that extorts money from a store owner.

But in Russia's wild post-Soviet capitalism, the concept of krysha has taken on another, much broader meaning. Almost every business in Russia — from curbside vendors to huge oil and gas companies, foreign firms, even mayors and regional bosses — pays for the protection service of some kind of krysha, according to security experts in Russia.

Olga Kryshtanovskaya, head of the department of elite studies at the Institute of Sociology, said that a krysha or, more broadly, as she put it, a "private power structure" is now an essential feature of large Russian corporate oligarchies.

Businessmen say they need the krysha because the laws and court system that regulate economic activity in other countries are not functioning in Russia. Post-Soviet civil and criminal codes have been approved but are often ignored.

Many companies call their krysha a "security department" and use it primarily to protect themselves from criminal extortion rackets. But experts say some companies use their security forces to intimidate competitors, enforce contracts, collect debts or take over new markets.

At the same time, for many smaller businesses a krysha is an unwelcome and dangerous protection racket run by organized crime syndicates, who use extortion and threats to extract payments.

Gerry Williams, marketing manager for O'Gara Security International Inc., which advises large companies on security, said the Russian style of protection is to frighten. Guards are trained to look menacing rather than discreet.

"Some are just gorillas with their knuckles scraping the floor," he said. "We call them bullet-catchers."

Many of these guards are recruited from the former KGB and other military and police agencies.

"The top officers of the KGB turned up on the market, and bankers were happy to take them into their banks," Mr. Minkin, the journalist, said. "They are doing intelligence and counterintelligence. The big commercial structures thought, 'Why should I pay gangsters to protect me when I can create my own service so not a single bandit will approach me?'"

Rhetoric Spawns Terror, Dividing Italy Separatists

Venice Assault Comes as Party's Appeal Wanes

By John Tagliabue
New York Times Service

ROME — The eight men who stormed the bell tower in St. Mark's Square in Venice on Friday in support of secession for northern Italy appear simply to have put into action the program of the region's small but boisterous separatist movement.

But the episode came as the separatist movement, with its improbable challenge to Italian unity, is clearly losing ground even among the few ordinary northerners who supported it. This has led some analysts to see a growing and dangerous split between the movement's leaders, with their verbal appeals for secession, and scattered groups keen on transforming these appeals into reality.

"Is it possible that, as they took off on their assault of St. Mark's bell tower, they had been misunderstanding for years the message they were getting?" a commentator for Corriere della Sera, the Milan daily, said of the eight men.

Umberto Bossi, the leader of the Northern League, the main separatist party, denounced the men, declaring them agents of the government in Rome sent to discredit his followers.

But at separatist rallies over the weekend across northeastern Italy, evidence emerged of a grass-roots split, as followers of Mr. Bossi debated whether to follow his interpretation of the incident or to show solidarity with the arrested men.

In the early hours of Friday, the men hijacked a ferry, used it to transport two vehicles to St. Mark's Square and then scaled the renowned bell tower there, where they unfurled a flag of the old, independent Republic of Venice.

Shortly after special police forces scaled the tower and, without firing a shot, arrested the men, messages began arriving at Italian news organizations from a group calling itself the Venetian Army of Liberation, demanding the release of the eight "prisoners of war."

Over the weekend, the police said they had detained two more men believed to be connected with the raid.

In Rome, government security officials said evidence had emerged in recent months of numerous cells of "radical secessionists" throughout northeastern Italy. And, indeed, the incident in Venice was only the latest in a recent string of assaults in the north on the authority of the central government in Rome.

In recent weeks, pirate transmitters have broken into the national television's news broadcasts, the Northern League established a shadow parliament and cabinet to govern the north, and in some areas there have been appeals not to pay taxes to Rome.

This month the movement plans a referendum in which northerners will be asked whether they favor remaining part of Italy or going their own way as a separate republic. Details of how the league intends to organize the referendum have not yet been announced, but it is generally thought that the organization will set up polling places in its offices and ask people to come in and vote.

After national elections last year, in which the Northern League won 10 percent of the popular vote — and as much as 40 percent in some of the region's wealthiest districts — Mr. Bossi hardened the movement's goals, dropping his calls for greater regionalism in favor of outright appeals for secession.

A cabinet to govern the mythical northern republic was formed, and paramilitary squads known as Green Guards began to appear at rallies.

In speeches, Mr. Bossi threatened to use his "troops." At a rally in March, he warned that they would parade this year in Venice, "perhaps with machine guns on their backs."

Despite the Northern League's presence in the national Parliament, Mr. Bossi refused to cooperate with the other established parties. When a commission was established for constitutional reform, including a decentralized structure for the state, Mr. Bossi refused to join.

But his defiance cost the movement support at the polls. Italians in such major northern cities as Milan, Turin and Trieste voted Sunday in the runoffs of mayoral contests in which all Northern League candidates were eliminated in the first round of balloting last month.

Yet as the separatists' electoral base melts, strident centers of secessionist fervor emerge, as in the towns and villages surrounding the cities of Verona and Padua in the northeast that are home to the assailants of Venice.

A drive through the byways of the region reveals towns whose welcoming signs feature the words "Republic of the North." In bars and restaurants, conversation is often sprinkled with insults against southern Italians: at rallies of the Venetian League, the local branch of the Northern League, youths chant, "Kill a southerner, earn a million!"

But the episode in Venice seems to have shaken even Mr. Bossi, and over the weekend he was pledging to enter the constitutional discussions in Rome. But the regional empowerment he seeks may be slow in coming, and many warn that the events in the northeast could gain a momentum all their own.

Muslim-Croat Army To Get 116 Big Guns; U.S. Seeks 'Balance'

New York Times Service

SARAJEVO, Bosnia-Herzegovina — The United States says it will send the Bosnian Federation 116 large artillery pieces in an effort to bolster one of main weaknesses of the Muslim-Croat Federation and set the stage for the withdrawal of American peacekeeping forces from Bosnia by July 1998.

The federation army, made up of Muslim and Croatian elements, currently has six of the weapons, 155mm howitzers with a range of about 15 kilometers (9 miles) and tremendous destructive power.

Forging a unified Muslim-Croatian force strong enough to deter attack is a cornerstone of the United States' exit strategy. James Pardew, the American diplomat in charge of a $100 million program to train and equip the Bosnian Army, announced the shipment at the Bosnian Defense Ministry in Sarajevo.

Washington says it is seeking to create a balance of forces in Bosnia-Hezegovina, where the Muslims were overwhelmingly outgunned for most of the war. Europe, however, is very critical of the American program, and some European diplomats said pouring more weapons into an already arms-rich region would only help rekindle a war.

Foreign diplomats and military monitors said the Bosnian Serb Army expected to receive modern artillery and tanks from Russia.

The federation army's strength will increase markedly with the addition of the new weapons and training, but it is impossible to determine whether it would then be an equal match for the Bosnian Serb Army.

The United States will also pay for 51 other slightly smaller artillery pieces to be manufactured in Bosnia for the federation.

The new artillery is to arrive by October, but it is not supposed to be under the control of Bosnian officers until American officials are satisfied that the federation army is sufficiently cohesive.

NATO Chief and Russian Discuss Accord

Reuters

MOSCOW — Foreign Minister Yevgeni Primakov of Russia and NATO's secretary-general, Javier Solana Madariaga, met Tuesday to try to conclude a pact on relations between Moscow and the Western alliance two weeks before its planned signing.

Hours before the two officials started their talks in Moscow, President Boris Yeltsin, in a clear response to public concerns at home, told Mr. Primakov to take a tough line with Mr. Solana.

Russia wants a say in NATO decisions and guarantees that the alliance will not station troops or nuclear weapons on the territory of new member states. Three former Soviet-dominated countries, the Czech Republic, Hungary and Poland, are seen as the most likely states to be asked to join when NATO meets in July.

NATO has said it has no plans to do so but is reluctant to give written guarantees, saying that would make the new participants second-class members.

Despite the NATO rebuff, some Kremlin officials say Mr. Yeltsin has already decided to sign the deal in Paris on May 27.

The officials suggest Moscow will keep up the uncertainty and anti-NATO rhetoric until the last minute merely to appease many opponents at home.

BRIEFLY

Britain Heads Back to Unesco

PARIS — Foreign Minister Robin Cook said Tuesday that Britain would rejoin Unesco, 12 years after it dropped out to protest financial mismanagement and a lack of commitment to press freedom at the UN agency.

"There is no very good reason to stay outside," Mr. Cook said at a meeting of the Western European Union.

He said Britain would resume its membership in the UN Educational, Scientific and Cultural Organization in the "near future."

Britain dropped out of Unesco in 1985, a year after the United States did. Washington complained that the organization was wasting money on ideology and anti-Western rhetoric and threatened to infringe on press freedom. *(AP)*

Turkish Papers To Sue Ciller

ANKARA — Turkey's powerful press group Aydin Dogan said Tuesday that it would file a defamation suit claiming $7.3 million in damages from Foreign Minister Tansu Ciller.

In a public meeting in Istanbul on Saturday, Mrs. Ciller alleged that Aydin Dogan and another group, Sabah, were exercising monopolies and supporting business cartels.

The newspapers owned by the groups have denied the charges, called Mrs. Ciller "a liar" and accused her of "manipulating figures."

Mrs. Ciller has "tried to undermine our group's prestige," the Aydin-run newspapers Hurriyet and Milliyet said in front-page commentaries.

The publications have lately been highly critical of Prime Minister Necmittin Erbakan's governing coalition, in which Mrs. Ciller's conservative True Path Party is the junior partner.

On Friday, Justice Minister Sevket Kazan of Erbakan's Welfare party, ordered magistrates to investigate eight journalists and two labor leaders, for allegedly "inciting" soldiers to stage a coup. The journalists all work for newspapers owned by Aydin Dogan and Sabah. *(AFP)*

Princess Mori/The Associated Press

EAST-WEST EXCHANGE — Princess Sayako of Japan with President Jacques Chirac of France and his wife, Bernadette, outside Elysee Palace on Tuesday. The princess later inaugrated the Japanese Cultural Center in Paris.

Allegation Shakes Madrid Government

MADRID — Allegations that an aide of Prime Minister Jose Maria Aznar had used an authoritarian-style threat of imprisonment against a media executive threatened Tuesday to trigger the conservative government's first crisis.

Evidence of the soaring tension came when Jordi Pujol, leader of the Catalan coalition that shores up Mr. Aznar's year-old government, demanded an urgent meeting with the prime minister Friday to discuss recent developments.

Mr. Pujol's Convergence and Union coalition said it was seeking the meeting after reports that the government had threatened a Catalan-born media magnate, Antonio Asensio, with jail last year for deserting a government-backed digital-television consortium and joining a rival group.

Mr. Asensio, chairman of the private television channel Antenna 3 and of the publishing concern Grupo Zeta, says he was threatened shortly after signing a pact with the Spanish media conglomerate Grupo Prisa. *(AP)*

Catholic Father of 5 Is Slain in Ulster

BELFAST — A Roman Catholic man was abducted and slain Tuesday, apparently by Protestant militants, in the latest sign of the newly rising communal bitterness in Northern Ireland.

Fire-fighters found the victim lying with fatal head wounds beside a burning car abandoned near the predominantly Protestant town of Randalstown. In line with paramilitary practice, his killers appeared to have burned the car to destroy forensic evidence.

The police said the victim had been abducted, after a struggle, from an athletic club in the Catholic village of Bellaghy, 13 kilometers northwest of Randalstown, and shot through the head.

Bellaghy residents identified him as Sean Browne, a father of five in his 50s who was chairman of the local club for Gaelic sports, which have an exclusively Catholic following. *(AP)*

Russia Reasserts Ownership of Art Seized From Nazis

Reuters

MOSCOW — Russia's deputy culture minister confirmed Tuesday that Parliament had overruled President Boris Yeltsin's veto of a bill that asserts Moscow's ownership of art works seized from Nazi Germany during World War II.

The minister, Mikhail Shvydkoi, said he did not know the exact voting figure in the upper house but said that about 140 members — well over the required two thirds of the Federation Council — had voted to reject Mr. Yeltsin's veto. The opposition-dominated lower house of Parliament overruled the veto in March. The official results of the vote will be announced Wednesday.

Under the constitution, Mr. Yeltsin must sign the law within seven days. But Mr. Shvydkoi said the president would exercise his right to appeal to the Constitutional Court.

When he vetoed the bill, Mr. Yeltsin argued that it breached international law, would complicate Russia's relations with many states and could prevent Moscow from recovering artworks taken from the Soviet Union during the war.

But many Russians view the art as legitimate compensation for the wartime suffering of the Soviet people and for the many Russian treasures destroyed during the German invasion.

"The deputies often vote with their heart and not according to what the law says," Mr. Shvydkoi said. "Civil servants do not have the right to act with their heart and I hope that they will understand that this law does not comply with the Russian Constitution."

FRANCE: *With Election Coming Early, Voters Stifle a Big Yawn*

Continued from Page 1

state involvement and high state control must be replaced.

Following this reasoning, employment and growth can be restored here only by a near-cultural revolution, dismantling not only the rigid rules of the French labor market and state involvement in industry, but also an education and administrative system that has perpetuated both statism and a business mentality geared to state subsidies and short of initiative.

Prime Minister Alain Juppe revealed a trace of this approach in saying in a television interview that the Ecole National d'Administration, or ENA, the government finishing school for the French establishment, could disappear. But less than a day later, he reversed field and said that ENA should stay.

Mr. Juppe also cut short any notion of deep change in French life if Mr. Chirac's majority was re-elected by saying there would be no basic shift in economic policy.

This only came after Jean-Pierre Denis, the president's deputy chief of staff, had signaled just before the election was announced that an ideological turnabout was at hand, and an ally, Alain Madelin, once Mr. Juppe's finance minister, was apparently given a green light to push the issue publicly.

"To enter the new world, we have to have the courage not only to call into question our mixed economic system, but also the statist model of organization and hierarchical decision-making that constitutes 'the French exception' but also French weakness," Mr. Madelin said, almost in tandem with Mr. Chirac's announcement of the election, a year before its constitutionally required date.

But this kind of language disappeared immediately from the campaign out of fear that the Socialists and the Communists would seize on it to accuse the majority of seeking to enlist France in the harder-edged capitalism of the United States, or Britain under the Conservatives. Short of any kind of new program or new goal, the circumstances left Mr. Chirac without any plausible explanation outside of political expediency for why he called the vote.

Beyond the electorate's disaffection, what remains has been described by Stephane Rozes, an analyst for the CSA public-opinion survey group, as a "virtual campaign," one where the basic choices are obscured and both sides avoid clearly exposing their positions. This has apparently softened early support received by the left and has given the majority, according to the polls, a palpable lead in the number of seats it is likely to win.

The situation of the Socialist Party mirrors that of the Gaullists' to the extent that there are basic matters it just does not want to talk about, notably what role the Communist Party, with which it is loosely allied, would play in a Socialist-led government. Without any kind of rapprochement to the market-oriented attitudes of Britain's Labour Party, Lionel Jospin's Socialists have pledged the creation of 700,000 new jobs, with the government creating half of them, and a reduction in the workweek to 35 hours, from 39, without a loss in pay. Talk of new taxes is totally avoided.

With its left-wing unwilling to modernize, and its right unwilling to talk about the capitalist retooling it has contemplated but seems to dread, France has come up short of a debate that would have real historical significance. It was as if the country's political parties thought they could best bring about change, or maintain a program of none at all, by discussing it with the electorate as little as possible.

French Right Tries to Stamp Out a Heresy on Minimum Wage

Reuters

PARIS — France's center-right coalition sought to avert a potentially damaging dispute over the minimum wage Tuesday after a senior conservative politician broke a political taboo by saying it would disappear.

Rene Monory, speaker of the Senate and a former economics minister, told the magazine Passages that the minimum wage, backed by a broad left-right consensus in France, was pointless and an obstacle to jobs.

Asked whether he believed there would eventually be a minimum hourly wage throughout the European Union, Mr. Monory said: "Of course not. On the contrary, there will be no minimum wage at all. In any case, I no longer believe in a minimum wage in France."

A spokesman for Prime Minister Alain Juppe's Rally for the Republic party distanced the coalition from Mr. Monory's remarks even before the leftist opposition and trade unions could pounce on them in the campaign for the May 25 and June 1 parliamentary election.

"To say we are in favor of abolishing the minimum wage is a calumny," said the Gaullist party's spokesman, Jean-Francois Cope.

Economists on the right often cite the 6,400-franc ($1,120) monthly minimum pay for a 39-hour workweek as a major barrier to employment in a country with a record 12.8 percent joblessness.

But conservative governments have never seriously dared to lower the minimum wage. When Prime Minister Edouard Balladur tried to introduce a lower rate for job trainees in 1994, he provoked huge street protests and withdrew the it. Mr. Monory said in the interview: "I am going to shock some, but is it better to pay someone 4,500 francs a month instead of 6,000 francs or to have a million young people unemployed."

"I far prefer limited-term contracts to no jobs at all," he added. "I would rather see a young person hired for two years than spending two years on welfare."

INTERNATIONAL

Zaire Rebels Break Through Defenders and March on Kinshasa

By Howard W. French
New York Times Service

KINSHASA, Zaire — Rebel troops broke through the government's last major defensive position short of the capital Tuesday and announced that they would arrive at the city within hours.

Advancing 30 kilometers during a day of determined fighting, the rebels forced the government to abandon its last fortified position at Bankana, less than 150 kilometers east of Kinshasa. In a frantic retreat, government forces blew up a bridge at the Bombo River, where they could attempt a last stand, but Western military analysts gave it little chance for success.

Reflecting the rapidly shifting reality on the ground, Zairian officials said the U.S. ambassador here, Daniel Simpson, on Tuesday urged the prime minister, General Likulia Bolongo, to order his remaining troops to allow the rebels peaceful entry into Kinshasa.

Reacting to the rebel announcement that they could enter Kinshasa in a matter of hours, the government of Mobutu Sese Seko, imposed a curfew from 8 P.M. to dawn on the city and called on residents to take up arms to defend the capital.

The rebel advance, which Western diplomats said could quickly turn into a rout, clouded the prospects for a second meeting between Zaire's president, Mobutu Sese Seko, and the rebel leader, Laurent Kabila, that was scheduled to be held aboard a South African warship off the Congolese coast Wednesday.

The South African government, which is sponsoring the talks, said the meeting would go ahead as scheduled and said there had been progress toward arranging a peaceful transfer of power to the rebels, but it cautioned that there were no guarantees of an agreement.

Until now, Marshal Mobutu has refused demands that he hand over power directly to the rebels, with minimal conditions other than guarantees for his own safety. Mr. Kabila, meanwhile, has continued to say that he will accept nothing else and has warned that Wednesday's meeting will be Marshal Mobutu's last chance for peaceful surrender.

As fighting has drawn closer to Kinshasa, international mediators and foreign diplomats have grown increasingly concerned over the prospect of fighting in this crowded city of 5 million or a repetition of pillaging by government soldiers such as occurred in 1991 and 1993.

With that in mind, Western embassies have stepped up their calls for their citizens to leave Kinshasa immediately.

Meanwhile, American, French, Belgian and other Western troops — positioned in Brazzaville, the capital of neighboring Congo, for an evacuation of Kinshasa — were in a state of heightened alert.

In Kinshasa, the news of the rebel advance set off a late-afternoon wave of panic. Travel agencies were packed with wealthy Zairians and foreigners who were scrambling to cross the Congo River to Brazzaville, where many of them hoped to find seats on heavily booked flights to Europe and South Africa.

By late afternoon, even before the curfew announcement, the streets of central Kinshasa had nearly emptied of their usually hectic congestion.

Hoping to speed the government's fall, opposition parties have called for a three-day strike to paralyze Kinshasa beginning Wednesday, and many politicians have begun organizing welcoming committees to greet the arriving rebels.

Meanwhile, tracts purporting to be printed by the rebellion have turned up all over Kinshasa urging government soldiers to lay down their arms and raise white flags in a sign of peace.

Given the deep unpopularity of Marshal Mobutu, the strike is seen as virtually guaranteed to succeed, and almost no one here expects the government's call to arms to be obeyed.

In nearly 32 years of rule, Marshal Mobutu became one of the world's richest leaders while driving his country, perhaps Africa's most richly endowed, into deep poverty.

Mr. Kabila, who has waged unsuccessful revolts against Marshal Mobutu for three decades, launched his Alliance of Democratic Forces for the Liberation of the Congo with heavy backing from Rwanda and Uganda last October and has marched from victory to victory in a seven-month war.

Even as the fall of Kinshasa appeared increasingly imminent, however, members of Marshal Mobutu's entourage said he remained convinced that his forces had begun to rally after uninterrupted losses and were about to turn the war around.

In the past two days, close associates of the ailing Marshal Mobutu, 66, say that the president has insisted to his family and closest advisers that the government has recaptured the city of Kikwit, which is deep behind rebel lines and securely held by Mr. Kabila's forces. "They are all dreaming up there," one presidential aide said, speaking of Marshal Mobutu's immediate entourage, which is cloistered in a hillside military camp at city's edge.

"They pick up the telephone and shout orders, promising this and that, saying that fresh funds are on their way, but there is nothing they can do. No one can live this out the way they are living it, but I feel sorry for them now. They still believe they can hang on."

Told of Marshal Mobutu's optimism, a Western diplomat said: "It is depressing, but I guess we have finally reached the bunker. The guy has been taking so much medicine that he's convinced himself of a counterattack."

Corinne Dufka/Reuters

Elite Zairian troops training by running through the streets of Kinshasa. Rebels are nearing the city.

Refusing Foreign Rescue Aid, Iran Cuts Quake Toll to 1,560

Agence France-Presse

QAEN, Iran — Officials revised casualty figures from a severe earthquake sharply downward Tuesday as the Islamic government again declined foreign offers to send rescue teams.

Relief agencies distributed tents, blankets and food to tens of thousands of people left homeless by the quake Saturday in Khorasan Province as the authorities said fewer people had died than they initially feared.

The deputy interior minister, Rasul Zargar, told the official news agency IRNA in this town near the epicenter that 1,560 people had been killed in the quake, which registered a magnitude of 7.1 on the Richter scale, and not 4,000 as reported by state television.

A total of 2,810 people were injured, he said.

In Geneva, the International Federation of Red Cross and Red Crescent Societies also said that 1,560 people had been killed but put the injured at 4,463.

Mr. Zargar criticized state television for reporting that 4,000 people had been killed and assailed the Iranian press for "contradictory and unrealistic" reporting about the disaster.

He acknowledged, however, that a search of four villages destroyed by the quake had yet to begin and said that a final casualty toll would be released next week.

Iran appealed Sunday for international assistance for quake victims, but it has declined offers from several countries to send specialist rescue teams to the affected areas. French diplomatic sources said Tehran had turned down France's offer for a team of rescue experts to be sent to the scene but had accepted an offer of humanitarian aid. Swiss and British teams were also rejected.

"The Iranian authorities told us they wanted shipments of supplies and not people," a French source said.

REFUGEES: *Death and Disease*

Continued from Page 1

The "highway" from the eastern border is so deep in mud that the United Nations flies its cattle trucks to Kisangani, tying up rented cargo planes that would otherwise be flying refugees out — if the refugees weren't tying on a pier waiting for a ferry to be repaired.

About 1,200 refugees are added to this pipeline each day. By one early estimate, if 100,000 were to emerge from the jungle here — and to survive the diarrhea, malaria, cholera and nighttime killings along the way — the operation would cost $40 million.

This is only one of the groups of Rwandans emerging after 30 weeks from a wilderness of 8-foot-tall grass, 30-foot-tall bamboo and 50-foot-tall palms in central Zaire. Although American satellites and Canadian flights indicated in November that there were no more refugees to be found, about 170,000 people were briefly helped by UN workers near Amisi in February before fleeing again.

An additional 20,000 just emerged on the border with Congo, after having walked 950 miles. Others have emerged in Zambia and Angola. Each pipeline back to Rwanda is different — and none really exists through central Zaire.

"For all practical purposes, Zaire broke into several countries over the last 30 years," said a UN logistics officer on a plane over Lake Kivu. "They have relations with their neighbors, but not with each other."

Kisangani, in the center, remains tied to the capital, Kinshasa, far to the west, because the Congo River links them, and goods and people arrive by barge. Kinshaha, however, is under attack, and river traffic is down. Kisangani is effectively isolated.

In one sense, the United Nations is lucky. There is a 60-mile-long railroad track south that bridges a loop in the river from this ferry slip to Ubundu. Its two aging trains can carry 1,000 people each. But since 91 refugees suffocated on an overcrowded train on May 4, the careful loading process has become interminable. On top of that, it is unclear who controls the railroad — its former private owner or the rebel alliance led by Laurent Kabila.

Tremendously compounding all these logistical problems is a political battle. Mr. Kabila's rebel alliance will not allow relief workers to remain south of Kisangani after dark, or to go more than 26 miles down the road leading to Ubundu during the day.

So to reach the ferry by nightfall, the aid convoy packs up by 3 P.M. After that, the refugees squatting on the edge of the jungle are left to fend for themselves all night.

BRIEFLY

Turkey Puts Off Games With Israel

ANKARA — Prime Minister Necmettin Erbakan announced Tuesday that naval maneuvers by Turkey, Israel and the United States in the eastern Mediterranean this summer were being postponed, the Anatolian News Agency reported.

"The holding of maneuvers for testing the equipment to be bought from Israel is part of an agreement," he said in response to questions by Arab reporters. "But these maneuvers have been postponed to the upcoming years."

Israel is upgrading 54 of Turkey's F-4 fighter jets.

Iraq and several other Arab countries and Iran have criticized the planned exercises with Israel, as have several officials from Mr. Erbakan's governing Welfare Party, which promotes an Islamic agenda. *(AFP)*

Israeli Ambassador To Jordan Resigns

JERUSALEM — Israel's ambassador to Jordan has submitted his resignation, less than a week after taking up the post, the Foreign Ministry said Tuesday.

Israeli radio said the ambassador, Oded Eran, stepped down because he had not been informed about a secret meeting over water rights between Prime Minister Benjamin Netanyahu and King Hussein of Jordan on Thursday. Israeli Embassy officials in Jordan said Mr. Eran resigned Sunday. He took up the post the previous Monday.

David Bar-Ilan, a senior adviser to Mr. Netanyahu, said Foreign Minister David Levy had been informed of the prime minister's plans to meet with King Hussein, and that it was Mr. Levy's duty to inform Mr. Eran. *(AP)*

Mexico Bans Flying Near Hot Volcano

MEXICO CITY — The authorities banned aircraft from flying near the ash-spewing Popocatepetl volcano Tuesday.

The transport authorities forbid aircraft from flying within 16 kilometers (10 miles) of the crater because of concerns that volcanic ash could be sucked into jet engines and clog turbines, the Televisa television network reported. *(AP)*

ENVOY: *Rohatyn's Vision Is Pro-Growth*

Continued from Page 1

An ambassador's politics, in any case, are not crucial to success, said Sally Bedell Smith, author of a biography of Mrs. Harriman. Mr. Rohatyn, she said, has the advantage of knowing France "about as intimately as anybody could know it."

Mr. Galbraith noted that what made the French appreciate Mrs. Harriman was that she had "the ear of the White House" and could "pick up the phone and talk to Clinton."

Mr. Rohatyn very likely would have such a pipeline, said Mr. Galbraith, who is now chairman of the U.S. sales subsidiary of Moet Hennessy Louis Vuitton SA, the French luxury-goods company.

Dana Mead, the chief executive officer of Tenneco Inc. said he had seen that access at work.

"Last year, when I was chairman of the National Association of Manufacturers," he said, "we got in to see the president not just once but more than once, because of Felix's excellent relations with the president." Mr. Mead became friendly with Mr. Rohatyn while working on Tenneco's recent restructuring.

Mr. Rohatyn — the name comes from the city formerly in Poland, now in Ukraine, where the family originated — has been called a star of Manhattan social life, thanks in part to his wife, Elizabeth, who is chairman of the New York Public Library.

"She's a formidable character in her own right," Mrs. Smith said. "The two of them have all the ingredients. They definitely have the candlepower to bring people to the embassy."

But to a rare degree, his friends say, Mr. Rohatyn combines social graces with a hard-headed knowledge of the real world developed in his turbulent early life, and later in the high-pressure world of corporate mergers.

Mr. Rohatyn's financial background and strong financial contacts in France should serve him well as ambassador, Mrs. Smith said.

Mr. Rohatyn has a reputation for dealing adeptly with the news media. New Yorkers recognize him in the street, so prominent was he during the city's financial crisis. But he declined to be interviewed for this article, and asked others at Lazard, including a man often spoken of as his likely heir, Steven Rattner, to turn down interview requests.

Most often, Mr. Rohatyn's touch has been a sure one. His skill at corporate matchmaking — the $14 billion merger of Time and Warner, for example — earned him wealth, a worldwide reputation, and the Wall Street nickname "Felix the Fixer."

He helped the city through its crisis, and headed commissions that guided the New York Stock Exchange through serious problems. There was one match, however, that he was unable to engineer: that of Mr. Rohatyn with the U.S. Federal Reserve.

His nomination by President Clinton to be the deputy chairman of the Fed is thought to have been hurt by Mr. Rohatyn's links to liberal Democratic politics. He has advised Democratic mayors, governors, presidents and would-be presidents. Mr. Clinton considered him for Treasury secretary.

The Fed position seemed a natural, until Mr. Rohatyn encountered opposition from some Senate Republicans, who portrayed him as a big-government liberal. Mr. Rohatyn finally withdrew his name in February 1996.

A source close to Senator Connie Mack of Florida, who led the opposition to Mr. Rohatyn, said that differences over economic beliefs should not cast a shadow on his ambassadorial nomination.

Some months after the failed nomination, Mr. Rohatyn published an opinion article in the Wall Street Journal in which he described a deep change in philosophy.

"As a traditional Democrat," he wrote, "I have always believed that freedom, fairness and wealth, basic to a modern democracy, required an essentially redistributionist philosophy of wealth, that a fairly steeply graduated income tax was required as a matter of fairness and that lower deficits would guarantee adequate growth and a fair distribution of wealth."

The advent of the global economy, he said, "has very much shaken that view."

He called for lighter taxation of capital to encourage investment, and for some variation of the flat tax.

A belt-tightening Europe should pay heed, Mr. Rohatyn wrote: The key for industrialized countries is to stimulate growth.

This was a new Rohatyn, said Mr. Galbraith, one who "has moved substantially away from the liberal Democratic view of government."

The journey that appears likely to bring Mr. Rohatyn back to Paris has been a long one.

Mr. Rohatyn was born May 29, 1928, in Vienna. His great-grandfather had been a rabbi. His grandfather was a banker and brewery owner, and his father became a brewery manager. Amid growing anti-Semitism, the family moved to Orleans, in central France. After his parents divorced, his mother remarried and, in 1938, the family moved to Paris.

His stepfather, Henry Plessner, a staunch Zionist, was interned in a camp in Brittany, but eventually escaped. In May 1940, with the Germans approaching, most of the family fled Paris. Their journey took them to Biarritz, Cannes, Marseille, Oran, Casablanca, Lisbon (where Mr. Rohatyn learned Portuguese; he also speaks German), Rio de Janeiro, and finally New York in 1942.

"My family and I were extraordinarily lucky," he said later, "not to wind up in Auschwitz."

He earned a degree in physics from Middlebury College in Vermont, but found he was not suited to that field. He went to work as a trainee at Lazard Freres in New York, a sister company of Lazard Freres & Cie. of France. From there, Mr. Rohatyn's rise was rapid.

Mr. Rohatyn's name emerged as Mr. Clinton's intended nominee weeks ago, apparently — after the Fed fiasco — as a trial balloon. Friends confirm that the president has offered Mr. Rohatyn the job.

The Associated Press

KIEV BRAWL — Deputies in Parliament fighting Tuesday after nationalists accused Communists of provoking conflict at a rally in western Ukraine, where police clashed with World War II veterans.

LUXURY: *European Firms Dash to Cash In on Emerging Nations*

Continued from Page 1

These European-based companies are attracted by the rapidly expanding affluence and urbanization of such places as Vietnam, South Korea and Argentina, where consumers want prestigious brands ranging from Gucci silk shirts, Vuitton leather handbags and haute couture clothes. The trend is especially striking in Asia.

The move to accelerate plans in emerging countries is itself an emerging trend, reflecting slower sales growth in Europe and North America where recession in the early 1990s slammed sales throughout the industry.

"Everything tilted to Japan in the mid-1980s, but in the past five years there have been very good local customers in some of the bigger (emerging) markets such as South Korea," Mr. Magnelia said.

Analysts estimate profit growth in emerging markets at between 10 and 15 percent now, compared with below 10 percent five years ago and 5 percent in 1987.

By contrast, industry-wide profits rose by about 5 percent in 1996, according to some analysts estimates, compared with 8 percent at the end of the 1980s, a peak period. Japan remains strong, though the rate of growth, 10 percent last year, is less robust than the 15 percent to 16 percent of 10 years ago, analysts said.

"Profit growth is rising quite sharply in emerging nations while the rate remains strong in Japan, but it is cooling down a bit," said Jacques-Franck Dossin, an analyst at Goldman, Sachs & Co. who follows the sector. Mr. Dossin said luxury-goods makers are already getting from 10 to 15 percent of their profits from emerging markets, and up to 30 percent if Hong Kong and Singapore are included, as well as purchases by Japanese tourists in the region.

LVMH built a cosmetics and perfume plant in China last year to make Dior cosmetics and a fragrance called "Miss de France," tailored for that market. Its Louis Vuitton leather goods division will open its first Vietnam store in Hanoi this year in the Hotel Metropole and already has four stores in Latin America, including Argentina and Chile.

Gucci recently opened stores in Shanghai and Beijing, and L'Oreal, the world's biggest cosmetics company, is investing $40 million in a second plant in Suzhou, China, to meet competition from overseas producers. L'Oreal already has a Maybelline factory there. Clarins, the French cosmetics company trying to reinforce itself in the luxury market, said it plans to start distributing its line of skin care products in India.

RUSSIA: *Government Reins In Gazprom*

Continued from Page 1

in a television interview this week. "Since the state owns property, and this property generates profit, the state must get this profit."

Mr. Nemtsov has said he wants to use the state's clout to bring down energy prices, sell off Gazprom's auxiliary businesses, open up the gas industry to more competition and force Gazprom to pay its taxes on time.

In the past, the government has treated the company with kid gloves, making no attempt to assert control over the monopoly or even to vote its own shares. In turn, the company threw its considerable political and financial weight behind Mr. Chernomyrdin and Mr. Yeltsin.

But that arrangement appears to be changing under Mr. Nemtsov.

Mr. Nemtsov says he does not intend to break up the huge monopoly, but has said that Gazprom's back taxes alone would be enough for the cash-strapped government to pay off all the teachers, doctors and others whose salaries have not been paid in months.

In 1993, Mr. Yeltsin signed an order allowing Gazprom to keep at least 50 percent of the dividends from the state's holdings. But, Mr. Nemtsov said, "the profits are so paltry that they can't be kept secret." Russia received only $4 million in profits over two years. Although Gazprom's finances are murky, it is known that the company had $15 billion in sales in 1995. Mr. Yeltsin's decree canceled the provision that allowed Gazprom to keep the state's dividends.

Just as significant, Mr. Yeltsin decided to rewrite the agreement with Mr. Vyakhirev under which the executive managed the state's shares. That deal, known as the "trust agreement," was first signed in 1993, and renewed in April until 1999. It has never been made public. Mr. Nemtsov at first announced on television that he could not find a copy of the agreement. He said this week that it had been found, "in a secret place."

He told the news agency Interfax that the trust agreement had an extraordinary provision under which certain individuals held options to buy the state's 35 percent of Gazprom shares that Mr. Vyakhirev was managing. Those options were lucrative: the price of the shares was set at their nominal value of 10 rubles a share, when the trust agreement expires in 1999. The current market price for Gazprom stock inside Russia is about 3600 rubles a share, or about 62 cents.

Thus, whoever held the options — Mr. Nemtsov did not specify, but the trust agreement was made with Mr. Vyakhirev — would have received a third of Russia's biggest company for a fraction of its value.

"If this is true, it is basically getting the shares for free," said Ivan Mazalov of CentreInvest Securities here.

Mr. Yeltsin's decree ordered that a new trust agreement be drawn up. Mr. Nemtsov said that there would be no options to buy the state's shares and that Mr. Vyakirev "will be doing as he is told by the government."

Gazprom said in a statement that it would comply with the president's order because "such an important document as a presidential decree should be strictly carried out."

Russian Climber's Body Is Found on Everest

The Associated Press

KATMANDU, Nepal — The body of a Russian climber has been found near the top of Mount Everest, and six other people who were trying to scale the world's highest peak are still missing and presumed dead.

The report came as several expeditions were beaten back from the 29,028-foot (8,848-meter) summit by high winds and heavy snow. One veteran mountaineer warned of the dangers faced by those trying to conquer Everest.

A member of the Kazak Military Expedition said that Alexander Toroshin was killed Thursday while descending the mountain.

Mr. Toroshin was about 1,000 feet short of the summit when he felt exhausted and began coming down, Vladimir Frolov said.

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Return to Vietnam

Twenty-two years after the last American ambassador to South Vietnam fled Saigon, the first ambassador to the united Communist-led Vietnam has arrived in Hanoi. He is Douglas Peterson, a former Florida congressman and before that a prisoner of war in North Vietnam for seven years.

In greeting the envoy of the nation they defeated, the Vietnamese put their best foot forward. They included in the receiving party the 80-year-old militiaman credited with saving the life of Senator John McCain, another former downed American pilot turned apostle of conciliation. Missing from the party, appropriately, were those responsible for the appalling mistreatment of American prisoners in a war now finally put behind.

The priority of Ambassador Peterson is to gain the "fullest possible accounting" of American servicemen still classified as missing in action. Such an accounting was formerly an issue of confrontation between the two countries; it has become an avenue of cooperation. Mutual accusations of bad faith on the MIAs no longer burden the larger relationship.

There is a strategic purpose to the exchange of ambassadors, although both sides are at pains to treat it circumspectly. The deepening tie is a quiet caution to a muscle-flexing China, Vietnam's historic foe and America's potential rival. There is a long history here. Had Washington recognized this shared strategic purpose after World War II and in the succeeding years, the grave collision between the United States and Vietnam might have been eased. The particulars have changed, but a tie between Washington and Hanoi still makes geopolitical sense.

For both, nonetheless, trade tops the agenda. It will be tough going. Not only is Vietnam's economy small and weak by contemporary measures. It is still tightly bound by Soviet-type political and bureaucratic controls, which remain long after the Soviet subsidies that made them bearable petered out. As elsewhere, local party bosses and state-favored industries are bound to resist the liberalization, privatization and general opening that are the new global norms. As Communist Vietnam reaches for the American market, moreover, it will come up against demands to meet not only global trade standards but human rights standards as well. A generation later, nonetheless, few would deny that it is time to move on.

— THE WASHINGTON POST.

Get a 'Food for Peace' Deal With North Korea

By Selig S. Harrison

WASHINGTON — As famine spreads in North Korea, Pyongyang is signaling readiness to negotiate a momentous "Food for Peace" package deal in which the United States and its allies would provide 3 million tons of grain in exchange for significant pullbacks of North Korean offensive weaponry now deployed within artillery range of Seoul.

The Clinton administration should urgently seize this opportunity before an uncontrollable cycle of hunger and political unrest in the North triggers a large-scale refugee exodus, "boat people" attempting to enter Japan, and possible North-South military clashes that could embroil American forces.

Skeptics will argue that a mutual redeployment agreement with adequate inspection machinery cannot be negotiated quickly, and that Pyongyang has hidden long-range artillery and rocket launchers underground.

But large numbers of forward-deployed weapons are above ground and readily visible to American satellites. A timetable for steps to reduce these deployments would greatly increase South Korean security, and 3 million tons of food would be a small price to pay for such a breakthrough.

Since Seoul is just 50 kilometers away from front-line North Korean artillery and rocket launchers, the United States and South Korea have urged Pyongyang to negotiate pullbacks of offensive weaponry, but have been repeatedly rebuffed. Now, faced with its food crisis, North Korea is proposing pullbacks on its own initiative to overcome U.S., South Korean and Japanese reluctance to large-scale food aid.

Pyongyang has attempted unsuccessfully in recent negotiations to get food aid commitments as a quid pro quo for participation in a proposed four-power peace conference formally ending the Korean War (the United States, South Korea, North Korea and China).

Washington and Seoul have refused to tell North Korean negotiators how much food aid they would be prepared to provide, and how soon, if Pyongyang agreed to set a date for peace talks.

Pyongyang would negotiate concessions on a variety of issues.

Faced with a stalemate at the formal diplomatic level, high-ranking North Korean diplomats at the United Nations, identified with moderate elements in the North Korean leadership, are floating new proposals reflecting their latest signals from Pyongyang. If Washington shows interest, they say, a specific pullback plan will be conveyed to the U.S. government.

Pyongyang wants the United States and its allies to set a firm schedule for the delivery of 1.5 million tons of food aid during 1997 and another 1.5 million during 1998, starting with 600,000 tons from now to September.

In return, I was told, Pyongyang would negotiate concessions on a variety of issues of concern to the United States and South Korea, including pullbacks covering not only heavy artillery and multiple rocket launchers but also other forward-deployed weaponry that constitutes a threat to Seoul.

How much of its weaponry would Pyongyang be prepared to pull back, and how far? Will hard-line elements in the North Korean armed forces go along with the extensive concessions envisaged by the more pragmatic elements in the Foreign Ministry and the armed forces who are seeking to promote a package deal? The only way to find out is to move as quickly as possible to formal negotiations.

In addition to exploring an agreement through diplomatic channels, the United States should accept a long-standing North Korean proposal for a meeting between U.S. and North Korean generals at the Demilitarized Zone. Such a meeting would not only be the most direct route to the "Food for Peace" deal but would have the political advantage of opening up contacts with military leaders who are key players in the Kim Jong Il regime.

Agreement on a firm schedule for food aid should be linked directly to a companion agreement on a timetable for redeployment of weaponry along the Demilitarized Zone and related confidence-building measures. The U.S.-South Korean goal should be phased pullback of a substantial number of the North's artillery and rocket launchers to a distance out of reach of Seoul, beginning with significant pullbacks simultaneous with the first 600,000 tons of food aid.

As part of such a deal, the United States and South Korea should be prepared for pullbacks of their own at some point, and for possible relocation of some American air power.

Washington should condition U.S.-North Korean military dialogue on the presence of South Korean generals as observers, and on North Korean agreement to parallel meetings of the North-South Military Commission. Before actually concluding an agreement, Washington and Seoul could insist on the establishment of a trilateral mechanism to oversee the pullback process.

Another key part of a food-for-peace deal would be North Korean gestures to Japan on disputed issues such as permission for Japanese wives of North Koreans to visit Japan. With 3 million tons of surplus food in storage, Tokyo is the key to large-scale food aid.

The writer, a guest scholar at the Woodrow Wilson Center, contributed this comment to the Herald Tribune.

The CIA's Men in Iraq

The American government has a nasty habit of disowning foreigners who risk their lives supporting Washington's intelligence operations abroad. The latest victims are a small group of Iraqis who worked with the CIA in recent years in an unsuccessful effort to weaken Saddam Hussein. They are now in California jails, facing deportation as threats to American security.

The Iraqis might have expected this welcome had they studied the experience of Vietnamese commandos sent by the CIA into North Vietnam on sabotage missions in the 1960s. Some were killed and many were captured and imprisoned for years, but Washington disclaimed responsibility and declined to give back pay to those who survived and resettled in the United States. Prodded by Senator John Kerry, Congress insisted last year on payment.

In the Iraqi case, there is a legitimate question whether some of the men jailed in California were working as double agents for the Iraqi government while associated with the CIA. The Americans who ran the program may know in some cases. The taint of disloyalty should not be indiscriminately applied. There is reason to believe that some of the accusations grew out of rivalries within the Iraqi resistance and are not based on reliable information.

The Iraqis were part of a CIA covert operation centered in northern Iraq, where opposition to Saddam Hussein is strong but splintered among various groups, including the Iraqi National Accord and the Iraqi National Congress. The American effort collapsed last year when Iraqi troops moved into the north, rounding up and in some cases executing Baghdad's opponents.

The United States helped evacuate several thousand Iraqis and Kurds who had worked with the CIA or Western relief agencies in the north. Many were taken to Guam, a U.S. territory. Some eventually traveled to California, where at least 13 were detained as suspected spies or terrorists.

The Immigration and Naturalization Service, which is considering political asylum requests, cannot make a fair determination without the assistance of the CIA. The FBI conducted security checks on the Iraqis in Guam, but lacks sufficient information and expertise in foreign intelligence to make sound recommendations. With so many federal agencies involved, White House coordination is needed to prevent bureaucratic decisions. Anyone mistakenly deported to Iraq or even Turkey would have good reason to fear for his life.

The Iraqi operation was ill conceived and unlikely to succeed because of Saddam's loyal security forces. It was bad enough to sink more than $40 million into such a futile mission. To compound the error by abandoning the foreign participants would be disgraceful.

— THE NEW YORK TIMES.

Specter of Nuclear and Chemical Weapons in the North

By Andrew Mack

TOKYO — South Korea's security analysts are worried these days. Across the border, their longtime North Korean adversary appears to be on the edge of mass starvation, while at home dire warnings from a high-ranking defector have added to long-standing fears that the North has nuclear weapons.

Last month Hwang Jang Yop, chief ideologist in Pyongyang and the highest-ranking official to defect to the South, was quoted as saying that the North could "annihilate" the South with "nuclear and chemical weapons," and "scorch" Japan as well. Neither U.S. nor South Korean intelligence officers were surprised by the claim about chemical agents. Nuclear weapons were a different matter.

The United States and the International Atomic Energy Agency have long suspected that, prior to 1994, the North illicitly diverted enough plutonium from its nuclear facilities at Yongbyon to build a single bomb. Pyongyang's persistent refusal to allow IAEA inspectors access to sensitive nuclear data has added to this suspicion.

In March, Hans Blix, the IAEA director general, reported that six rounds of talks with the North had been fruitless, and suggested that it may have destroyed crucial evidence.

Even if U.S. and IAEA suspicions are correct and enough plutonium to build one Hiroshima-size bomb has been diverted, Mr. Hwang's statements did not ring true. The U.S. nuclear attack on Hiroshima in 1945 killed perhaps 200,000 people. A similar attack on Seoul might kill more, but the devastation would in no sense "annihilate" South Korea.

This would require not one but many bombs. No analysts believe the North could have diverted enough plutonium to build more than one, or possibly two, small nuclear weapons.

Did this mean that Mr. Hwang was either lying or simply ignorant? Not necessarily. It is possible that, in addition to its declared facilities, the North, like Saddam Hussein's Iraq, has operated a clandestine underground nuclear weapons program.

Few analysts believe that likely, however, not least because the production of plutonium releases minute amounts of radioactive material that can be detected by remote sensors outside North Korea.

A less improbable scenario suggests that reprocessed plutonium has been illicitly acquired from Russia. In 1992, an unconfirmed Russian television report alleged that 56 kilograms of weapons-grade plutonium had been smuggled into the North hidden in a train-load of scrap metal. This would have been enough for seven or eight bombs.

A state may possess enough plutonium to build a nuclear weapon yet lack the technical expertise to do so. There is no consensus in the U.S. or South Korean intelligence communities on whether the North has turned any diverted plutonium into usable weapons.

That is why Mr. Hwang's dramatic claim was so important. If he knew what he was talking about and was telling the truth, the "weaponization" stage had indeed been reached. The security implications were sobering.

Nuclear weapons need reliable delivery systems. Here Pyongyang has few options. South Korean air defenses are too deadly for the delivery mission to be entrusted to the North's obsolete aircraft. Missiles would be the more likely means of delivery.

North Korea has many Scud-type missiles, like those used by Iraq in the Gulf War, that are capable of carrying nuclear warheads.

A new North Korean missile, the Rodong-1, which was derived from the Scud, has a range of more than 1,000 kilometers. With a nuclear warhead, it could theoretically strike Japanese targets.

Citing American intelligence sources, Japan's NHK television recently said three Rodong-1 missiles had been deployed and another seven were being readied for operation.

The fact that missiles are nuclear-capable does not mean that they will be nuclear-armed. Building a nuclear warhead compact enough to be mounted on a missile, and robust enough to withstand the rigors of blastoff, presents complex engineering problems. There is no evidence that the North has solved them.

The least technically demanding delivery system would involve placing crude nuclear devices in tunnels under the Demilitarized Zone. While such devices could perhaps kill hundreds of thousands of U.S. and South Korean troops stationed in the area, no blast damage would hit Seoul, and the effects of radioactive fallout would depend largely on wind strength and direction. The consequences would be horrific, but, again, South Korea would in no sense be "annihilated."

That Mr. Hwang's warnings have no credible evidence to support them does not mean that the North has no nuclear devices. This remains a possibility and a major reason why, as famine and the prospect of internal turmoil in the North loom daily larger, the South takes great care not to provoke its unpredictable adversary into any form of military action.

The writer, author of "Proliferation in Northeast Asia," is professor of international relations at the Australian National University in Canberra. He contributed this comment to the Herald Tribune.

Abuse of Privilege

On two occasions in 1995 and early 1996 there were meetings between Hillary Clinton, lawyers from the White House counsel's office and the Clintons' personal attorneys to discuss aspects of the sprawl that has come to be known, for want of a better term, as the Whitewater case. On each occasion a White House lawyer took notes. Whitewater independent counsel Kenneth Starr has subpoenaed those notes; the White House is resisting, not, it says, because the notes are so important but for institutional reasons: To hand them over would be to acquiesce in a weakening of the attorney-client privilege, a basic protective principle of law.

The confidential status of discussions between attorneys and clients is indeed an important element of the adversarial system of justice. The system would likely collapse if clients could not confide in their attorneys without fear of disclosure. But although the privilege is right, its application in this case is wrong — a stretch whereby the White House could well end up harming the doctrine it purports to protect. There are ways to separate the bad case from the good rule in which the White House seeks to wrap it, and we hope that the Supreme Court, to which the dispute has now been appealed, will find those.

In a way, this is a hothouse issue. Normally it would not arise as a court case. If a federal prosecutor (the Justice Department) wanted a document that another federal agency did not want to produce, the matter would be resolved internally. The president would be the referee. It arises here only because of the special circumstance that the case is in the hands of an independent counsel.

The case is unusual also in the sense that the dividing line between personal and official behavior has been so badly blurred. Mrs. Clinton is not a public official. It is something of another stretch to make her one. If she is in trouble, it is in her individual capacity. The note-taking sessions had to do with her involvement, if any, in what was done at the White House after former counsel Vincent Foster committed suicide, and with billing records from her years as a private attorney with the Rose Law Firm in Little Rock. Had she been consulting just with the Clintons' personal attorneys, there would be no question that the attorney-client privilege applied. It is not clear that it applies in this case.

Lawyers for the White House conjure up a combative future in which presidents and their families will increasingly be forced to rely on costly private attorneys to defend themselves against this charge or that if denied access to White House counsel. That, too, seems to us a pretty gauzy prospect.

The Clintons created the entanglement with the doctrine of privilege in which they now seek protection. Assuming that the notes are as benign as they say, it seems to us that they could have given them up long ago in such a way as to set none of the precedent that they now profess to fear.

— THE WASHINGTON POST.

In Minimalist Washington, the Economy Dictates the Politics

By David S. Broder

WASHINGTON — The complaints about the budget agreement between Bill Clinton and the Republican leadership come from all parts of the political spectrum, but are all the same complaint.

Liberals whine about the niggardliness of new social spending initiatives. Conservatives carp about the small size of the tax cuts. Middle-roaders are upset that the big entitlement problems have been postponed. They all say that this agreement makes only the most marginal changes in the size of government and in national priorities.

They are right. All of them. This is a minimalist agreement, a lowest-common-denominator compromise.

But there was no reason to expect anything more from a government as politically weak as this one. Indeed, if the politicians running this government had made any decision that actually made a significant difference, they would be acting unlike themselves.

Sharing power now — and for the foreseeable future — are a thoroughly chastened Republican congressional majority and an equally chastened Democratic president.

Mr. Clinton never recovered his nerve after 1994, when scores of his party's incumbents went down to defeat trying to defend his record. Soon he retreated into acceptance of the Republican timetable for balancing the budget, and on the eve of his re-election campaign he signed into law a welfare reform bill repudiating his party's 60-year-old commitment to guarantee the basic needs of indigent women and children.

By the same token, Republicans never recovered from being blamed for two shutdowns of government in the winter of 1995-96 and being accused by the Democrats (unfairly) of menacing Medicare.

On the eve of the 1996 election, they gave Mr. Clinton three major bill-signing ceremonies, on the Kassebaum-Kennedy health bill and the welfare and minimum wage measures, thereby sealing the doom of their party's presidential candidate and making it certain that for the next four years they could make only those changes that they could negotiate with Mr. Clinton.

But a weak government divided between two timorous parties is not the only or even the most important reason why the most heralded "big decisions" like the budget deal turn out to be so trivial. Something bigger is at work.

It came into focus last week in the very first policy decision by the new Labour government in Britain. Now that is a strong government. It has an unequivocal popular mandate, a majority of 179 in the House of Commons and the unquestioned capacity to pass any piece of legislation it wishes.

So what was the first thing that Prime Minister Tony Blair did? He handed over control of British monetary policy to the Bank of England.

The thought of this party, socialist by tradition, giving control of the economy to an independent board of bankers seems mind-boggling at first. But then you remember that Mr. Clinton framed his first budget in 1993 to meet the standards set by Federal Reserve Chairman Alan Greenspan and the bond market, and now is guided by the belief that a balanced budget, long the icon of Wall Street, is the highest goal.

Mr. Blair and Mr. Clinton's decisions are not capricious. Both understand that everything for them and their parties depends on sustaining the already lengthy economic boom for another five years. They are gambling that if they keep hands off, the marketplace and the central bankers will deliver.

Time was, 15 to 20 years ago, when Margaret Thatcher and Ronald Reagan were making bold political decisions that had enormous consequences for the economies of their countries and indeed the whole character of those societies. But now the economy drives politics, minimalism is in vogue, and the politicians are a lot less important than they pretend.

The Washington Post.

Clinton Is Making Bush Look Good

By Maureen Dowd

WASHINGTON — So how weird is this? The Clinton presidency that began with such grandiose designs has become so becalmed, so shrunken, so defeated, so aimless, so anomic, so technical that George Bush now looms as a giant who bestrode the earth.

Clinton White House reporters tell me they "envy" my time covering President Bush.

Compared with the listless president hobbled by crutches and investigations, paralyzed by the fear of offending anyone, his 72-year-old predecessor appears the master of his fate, skydiving and holding up rabbit ears behind his wife's head at the Gerald Ford museum rededication.

Mr. Bush laid the groundwork for the new budget deal. And Points of Light, much mocked by Democrats in '92, is practically all that remains of Bill Clinton's social policy.

I faxed the ex-president in Houston to tell him he was looming large.

"Looming Large? With whom, for whom?" he faxed back, in one of his famous free-form letters ("self typed I might add"). He requested that I read the note and then "eat it."

Before addressing my questions, he asked about a biting description of him in '88. "But why am I like every girl's first husband? Unfair!"

I wondered if he was appalled that Mr. Clinton was reduced to purloining conservative premises. "I'm glad about that," he faxed back. "Volunteerism, less government, China, Haiti boat people, NAFTA — I like it that our policies made some sense to those who came along after me ... We did leave a very strong economy in 1992 ... "

I was curious about the deeper meaning of those rabbit ears.

"Fun, strictly fun, and I don't have to worry now how the press corps will analyze this. I used to. But now, I am free at last — make that relatively free at last ..."

So what did he learn at the conference on his presidency at Hofstra? "I learned there are some real whacko professors scattered out around the country. Mistakes? I wish I had been a Reaganesque communicator — but then do I?; for life is good now, it really is."

He said he had not expected so much attention to his jump at 12,500 feet out of a plane. "The only fear I felt was fear itself ... but once in free fall it was heaven. I'd do it again but I'm not sure this second one wouldn't be written off by the wispy libs and oh so serious pundits as 'Look at the old guy, trying to garner more good press.' "

As for Democrats arguing, at news of the Clintons auctioning off the Lincoln Bedroom and Air Force One, that both parties did that sort of fund-raising, Mr. Bush noted: "Everybody did not do it. Honest!"

He said he missed some things about Washington — the White House staff and Camp David. "To some degree, I miss making decisions that matter. But, BPB and I are both very happy. I have no desire to shape history — none. No memoirs lie ahead. Only the Scowcroft-Bush treatise, which will interest foreign policy wonks and name droppers.

"I think it will be OK, though I expect some critics will trash us. It will say what it was like dealing with Gorby, MT, Mitterrand, Major, Mulroney, Kaifu and Miyazawa, the guy I threw up on! It will explain why I think Saddam Hussein is a really nice guy and why I regret not 'letting sanctions work.' No, no — wrong book."

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Destitute in Cuba

NEW YORK — The destitution, amounting almost to starvation, of the American citizens in Cuba has been forced upon the attention of President McKinley, until he has become willing to send a special Message to Congress recommending the appropriation of $50,000 for food and clothing, to be made available at once. But there will be no reference to belligerent rights in the measure.

1922: King's Tribute

PARIS — "Since we have faith in the designs of God, we cannot help but believe that these visible monuments will contribute one day to the union of all peoples, that they will be the most powerful appeal to reason just as they have already assured the relations of our Empire and of our Allies on the profound basis of common heroism and suffering." This was a striking part of an eloquent address made by King George of England at the cemetery of Terlincthun (Pas-de-Calais), where thousands of soldiers from all parts of the British Empire are buried.

1947: Belgium Demurs

FRANKFURT — Belgium has rejected Russia's demand for return to Russian territory of Baltic and Polish-Ukrainian displaced persons being resettled in Belgium as coal miners. The chief of Cabinet of the Belgian Ministry of Fuel and Power said the Soviet Ambassador had made a complaint to the Belgian Foreign Ministry against the resettlement program under which 20,000 displaced persons and their families from the American Zone of Germany are being admitted to Belgium to help meet that country's shortage of coal miners.

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OPINION/LETTERS

Get With the Program: Women's Sports Matter

By E. J. Dionne Jr.

WASHINGTON — Have you heard about the great program linked with fewer teenage pregnancies, higher high school graduation rates, the avoidance of abusive relationships and success later in life?

It's called women's sports.

We Americans have long seen organized sports as a good thing for boys and young men. Should we be surprised that they're good for girls and young women? That's why the battle over Title IX, requiring parity between men's and women's athletics at educational institutions, is important.

Title IX is one case where the government did what it set out to do. Before Title IX passed, 25 years ago, 300,000 high school girls participated in competitive sports. Now, there are more than 2 million and counting. And there is performance, too, whether in women's basketball or in the record of American women at the Olympic games in Atlanta. Finally, there is fairness: Title IX lets women win athletic scholarships once open only to young men.

Critics of Title IX attack the law as affirmative action gone wild. They say the law requires schools to spend more on women's athletic programs even if the demand is low.

Now if the law required Notre Dame to create a women's football team to match its men's football team, you could call it wacky. But it doesn't do that. To comply, a school must meet one of three tests. It can have the same percentage of female athletes as it has undergraduates. That is a quota. But no school has to meet that standard (and few, if any, do).

A school can also meet the terms of the law either by showing a "continuing history" of expanding athletic openings for women, or by demonstrating that it fully accommodates the athletic "interests and abilities" of its students. "People aren't saying, 'Give us 51 percent,'" says Mary Duffy, an old friend and former editor in chief of Women's Sports and Fitness. "They're saying, 'Come on, take some steps.'"

Title IX marks a large change in attitudes toward women and their aspirations. Because sports so affect boys and girls as they grow up, the way we treat women's sports may prove as important to changing social attitudes as anything else we do.

"If girls are socialized the way boys are to take part in sports," says Ms. Duffy, and "if boys and girls grow up with the idea that girls are strong and capable, it will change the way girls and women are viewed — by themselves and by society." Her take rings true to parents who see no reason why their daughters should be denied the fun and discipline that organized athletics offer their sons.

High school programs are important, Ms. Duffy says, because girls often give up sports when they reach adolescence. That's a shame, since studies find that women student athletes have higher graduation rates.

Criticisms of Title IX don't just come from sexists. When Brown University was sued by members of the school's women's gymnastic and volleyball teams for eliminating support for their sports, Brown won the backing of other universities worried about the economic pressures Title IX can create. But lower courts ruled in favor of the women and the Supreme Court declined to hear Brown's appeal, leaving a rigorous interpretation of Title IX in effect.

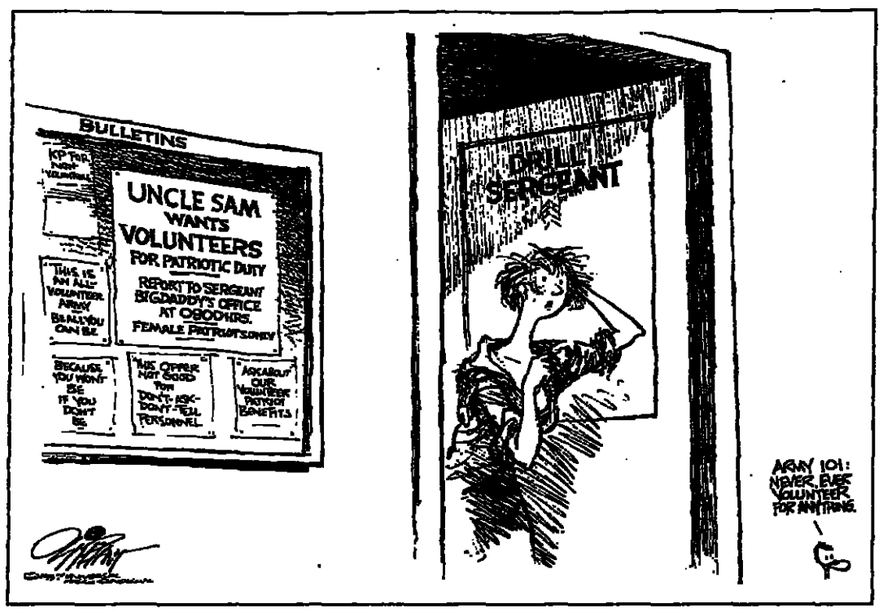
No supporter of Title IX should pretend compliance will be painless. The big fight will involve football. It's the most expensive men's sport, requiring a lot of players and scholarship money. Because football is seen as so important to alumni fund-raising, less telegenic men's sports — wrestling, swimming and golf — have borne the brunt of cutbacks. It's easier to cut teams for men than to add them for women.

"Football is used to getting the biggest chunk of the pie," says Rachel Zuk of the Women's Sports Foundation, and football supporters "want other men's sports and women to divide up the rest."

Instead of whingeing about quotas, we should face up to this collision of interests. Football, a game I enjoy, may take a hit.

By refusing to take up Brown's challenge, the Supreme Court sent a message — not for "sports quotas," but for a rather old idea that organized athletics are good for young people. That includes women as well as men.

Washington Post Writers Group.



LETTERS TO THE EDITOR

Salonika's Jews

Regarding "Greek City Breaks 50-Year Silence on Jewish Past" (April 9):

Before World War II, Greeks lived peacefully with the Jews in Salonika. Many Greek families helped Jews escape the Nazis. It was the Nazis who eradicated the signs of the Jewish presence in Salonika, stole their archives and blew up many synagogues.

In short, the Jewish past of Salonika is not a secret kept hidden by Greek nationalists. On the contrary, it is a past well known, especially to the generation of our fathers, which lived in peace with the Jews and mourned the loss of many friends in the Nazi death camps.

T. MANTOPOULOU-PANAGIOTOPOULOU.
Salonika, Greece.

It is true that the Jewish community of Salonika was numerous and prosperous before World War II and that it was almost completely annihilated in the Nazi death camps.

But the Greek government made a gesture toward the surviving Jews of Greece that I doubt any other government matched. Soon after the liberation of Greece, the government waived its right to the estates of Greek citizens who die without descendants or a will — the situation of most of Salonika's executed Jews — and instead provided that such funds went to the surviving Jews. A body was founded to distribute these revenues, which have been given to the surviving Jews and their descendants since.

T. L. CHRYSANTHOPOULOS.
Aeghion, Greece.

I thoroughly reject the allegation that, after the war, survivors returned "only to find that all traces of their suffering, too, had somehow vanished."

I would like to take the opportunity to praise the friendly attitude of the Greek Orthodox citizens, the Orthodox Church and the police, thanks to whom a great number of Greek Jews — like myself and my family — were saved, in spite of a death sentence hanging over the heads of these saviors.

L. COHEN.
Paris.

American Muscle

Regarding "Put Defense on the Cutting Board" (Opinion, May 3) by Barney Frank:

Representative Frank says that so long as we Americans continue to exempt defense-related agencies from budget cuts, we will shortchange our citizens. His point is that in order to properly care for citizens, we need to cut into the defense budget as well as other areas to fund social programs. While his objectives are laudable, he overlooks a critical element of the defense budget that has a direct impact on social issues: the U.S. overseas military presence.

The U.S. economy is inseparably intertwined in the larger global economy. One of the key reasons for America's powerful global economic reach — and thus its strong domestic economy — is its strong military force.

Soldiers stationed on the ground in Europe and Asia represent the tangible interests of America, and give us the ability to wield significant influence on economic policy that in turn has direct, positive benefits for U.S. business.

If the United States wants to continue to enjoy the influence it currently possesses in international economic affairs, we have to maintain that physical engagement. If we reduce the military budget any further, we will also have to reduce some of our overseas commitments — accepting the resultant loss of influence in the global arena along with a negative impact on the domestic economy.

DANIEL L. DAVIS.
Stuttgart.

No Computer Can Write A Column Like This

By Richard Cohen

WASHINGTON — It is said that the defeat of Garry Kasparov by IBM's RS/6000 SP, alias Deep Blue, proves that the machine is now as intelligent as man. Nothing could be further from the truth. The collapse of Mr. Kasparov after 19 moves proves instead what anyone with any brains has always known about chess: You don't have to be really smart to play it well.

In fact, Mr. Kasparov — like all great chess players — is nothing more than a gussied up computer himself, a bit more versatile than Deep Blue but, world champion though he be, not as good at chess as a mere $2 million gizmo. He is much like most of my opponents when I played chess as a kid, good at the game and smart in a way that could only be applied to chess (or math) and, therefore, stunningly dull. Really smart people have a sense of humor. That is a fact.

The brilliant chess players of my youth never impressed me as particularly intelligent in ways that matter. They could play chess well ... or brilliantly ... or so brilliantly that they became grandmasters, but what that had to do with genius or intelligence is something I could never figure out. All you needed, it seemed to me, were thick eyeglasses, a pencil case and no gumption for talking back to your mother. It was only a matter of time, I sensed even then, that a machine would do it better.

More to the point, anything that can be done well by a child — and which now can be duplicated by a mere machine — cannot be considered the product of human genius. I admit right off that music is an exception. Both Mozart and Mendelssohn composed good music at ridiculously young ages. What's more, their music can be played — and played well — by mere children. The young Mozart and Mendelssohn created works that endure for their beauty, not as some sort of curiosity. Even so, the mature works of these men are far superior.

I acknowledge that I cannot define intelligence. I see no real reason to think that a child who plays the piano brilliantly is somehow smarter than one gifted in basketball — although I feel that ought to be the case. Also, I am mostly bored by games — everything from chess to Monopoly — unless a player can use the phrase "I see you and raise you ..." I do know, though, that what I do — write — can never be done really well by anyone really young. As far as I know, there are no great literary works by 12-year-olds.

Maybe that's because no 12-year-old has anything really interesting to say to an adult, something wise about life, that is. (The best book about youth, "The Catcher in the Rye," was written by J. D. Salinger when he was over 30.)

A 12-year-old cannot really know about love and passion, or, especially, death — not that death can't happen, but the almost literary apprehension that your own is always approaching. A child, like a computer, lives in a world of immortality. His tomorrow is a long way away and not, as it is for an adult, virtually a yesterday before it even happens.

It is, of course, a writer's conceit to think of writing as the true product of true genius. Maybe someday a computer, making those 50 billion calculations every three minutes (Deep Blue's cruising speed), will be able to write a wonderful poem or a good book (never a newspaper column, though) or a play or movie. But I doubt it.

In the first place, language itself is infinitely plastic, the raw material of creativity. To move a pawn is one thing; but to decide which of many ways to say "love" is beyond mere computational power. You have to know the language — all of it — and then be imaginative: link one word with another in a way that has not been done before. That is creativity, not logic or calculation.

And, second, no computer can as yet "live." No computer can give us the profit of experience — and what that is when it is combined with intelligence: wisdom. The reasons for this are obvious. No machine can feel — happiness, love, sadness — and it cannot fear death. Until it can do these things, it can, like a chess player, compute many moves a second but not, as you and I do all the time, whether the game itself is worthwhile. After Sunday's final game, Mr. Kasparov decided it wasn't — his 20th and smartest move of the day.

The Washington Post.

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STAGE/ENTERTAINMENT

TOMORROW: HEALTH/SCIENCE

Remy de la Mauvinière/The Associated Press

Wim Wenders, second from right, arriving at the Palais des Festivals with "The End of Violence" cast members.

Wenders Grapples With Violence

By Joan Dupont
International Herald Tribune

CANNES — On his first day in Cannes, Wim Wenders was attacked on the street: "Motorcycle guys with black helmets tried to rob my wife and me," the director said. The two men snatched his wife's purse outside the villa where they were staying and escaped.

Ironically, he had come to present his film, "The End of Violence," screened on the festival's 50th anniversary.

"I've lived in Los Angeles for a year, and I've seen lots of violent movies, but violence never happened to me," Wenders said, "and although I just made a movie that has sharpened my sensitivity, nothing prepares you for it — no movie. Which is exactly what my character goes through in the film: his career producing violent movies has not prepared him for that moment when a gun is put to his head."

"The End of Violence" was made in Hollywood, with Bill Pullman playing the manipulative czar whose high-intensity life changes overnight when he is kidnapped. Gentle, bespectacled Wenders, also a great manipulator of imagery, denies that there is a relationship.

At 51 — "a year older than the festival" — the German director, once so pale, so shy, has become an articulate high priest of cinema, a seeker and keeper of the flame whose road movies have taken him from Munich, where he made his first shorts, to Hamburg and Paris, where he shot "The American Friend," and to Hollywood, where he made "Hammett," "The State of Things," and "Paris, Texas," which won the Palme d'Or in 1984.

He moved from movies focused on interior landscapes, to metaphysical thrillers, onward and upward to vast themes. Now president of the European Film Academy, he is perceived as a sentinel, watching over the morality of image-making.

Although he set up the Filmverlage des Autoren, a directors' collective, with Rainer Werner Fassbinder in the '70s, Wenders's movies look to the future of the human predicament from the heights of an angel over Berlin ("Wings of Desire," "Until the End of the World"), while Fassbinder got down into the wreckage, exploring German guilt.

"It must have something to do with the way I grew up," says Wenders. "I experienced my own country as a place where nobody wanted to look over their shoulder and nobody wanted to look back, and please, let's only look forward. And that probably has formed my character and my way of thinking. Fassbinder was digging into German history — and I always tried to get out of it."

Wenders has paid homage

CANNES FESTIVAL

to the past in other ways, putting himself at the service of older directors. A sick and destitute Nicholas Ray invited him to New York, to film the last months of the director's life, for "Lightning Over Water."

"Nick asked us to accompany him, and we did it; we would have done it without film in the camera," Wenders said. Last year, he helped Michelangelo Antonioni shoot "Beyond the Clouds."

In "The End of Violence," another famous director, Samuel Fuller, plays an old and ailing man.

"The End of Violence" is a slow and probing kind of thriller, where characters ask questions like, "How would you define violence?"

"I'd say that violence is absence of love, emotional revenge. Of course, we're attracted to it," Wenders said. "I think there's a strange attraction to things you have to overcome. I was scared to death by my first movie experience. My grandmother took me to see Laurel and Hardy, but we took the wrong door and walked in on a horror movie, a few minutes of which are forever engraved in my memory, frame by frame. I was seven and I'm still unable to see a horror movie; my heart starts beating."

For the first time, the director, who has worked with the writers Peter Handke and Sam Shepard, chose to collaborate with a screenwriter, Nicholas Klein, who comes from Joseph Papp's Public Theatre. Klein was working with Wenders on an ambitious science-fiction project that got stalled. They sat down to make a movie, quick and cheap, on the theme of violence, shot in five weeks from the first version of the script.

"We decided to create a cast of characters who had no connection to each other," Wenders explained. "Slowly, we found they were connected — through violence. It's not the usual approach, but if your plot becomes overwhelming, it can drown your characters. Of course, you don't want to lose your story either."

Like other Wenders films, "The End of Violence" is not strong on plot, but on visuals: aerial shots of Los Angeles by Pascal Rabaud, known for his commercials and music videos, and meticulous interiors by the production designer Patricia Norris.

Edward Hopper's famous "Nighthawks" diner was recreated by Norris because Wenders has always been fascinated by Hopper's vision, "the way his paintings deal with people in rooms, behind windows, seen from outside or inside-out. I read that he started 'Nighthawks' after he had seen 'The Killers.' And when you look at that picture, you know that five minutes later, all hell is going to break loose."

The film, French produced, was shot on locations at Malibu, Santa Monica and in the San Fernando Valley. Wenders feels that Los Angeles is the place where the question of "the fabrication of violence has to be brought up, because more than ever, ideas are formed by images."

He found that the rules in Hollywood have changed. "When we made Hammett, Hollywood was still going by clear rules; when we made 'The State of Things' and 'Paris, Texas,' it was guerrilla filmmaking — we were afraid that we'd be thrown out any minute. Now, 15 years later, this guerrilla filmmaking is the rule, and there's a real chance for making independent films, the way they're made in Europe."

The director's best moment during the festival was listening to Ingmar Bergman's message excusing his absence at the commemoration gala: "Life has finally caught up with me, those were his words, and I know what he meant. Bergman's films really have explored life and death — nobody else has dared enter this metaphysical territory — and I felt he was saying: I'm sitting in a room, alone, and I don't have a camera any more. I just have to face it all on my own."

'Parsifal,' Russian Style

By George W. Loomis

ST. PETERSBURG — On its many tours, the Kirov Opera routinely wins plaudits by presenting Russian operas rarely heard abroad. Back home at the Mariinsky Theater, however, its musical director, Valery Gergiev, pursues a different but complementary agenda — reestablishing the company's artistic preeminence in Western repertory, while preserving its essential Russianness.

A milestone in this process occurred Sunday when Gergiev conducted Wagner's "Parsifal" in what was not only the opera's first staging at the Mariinsky but also, for all practical purposes, its Russian premiere. And the production of this most spiritual of operas had more than a hint of Russian flavor.

It was a combination of ideology and bad timing that caused Russia's neglect of Wagner's final opera. For 30 years "Parsifal" was protected by copyright, and the composer's widow, Cosima, zealously fought to restrict performances to the festival theater in Bayreuth, Germany, where the opera was first given in 1882.

When the copyright period drew to a close, the Mariinsky, which had developed an impressive Wagner tradition, wanted to be among the first to produce "Parsifal." But the premiere had to be postponed when the singer scheduled for Kundry fell ill; then Czar Nicholas II ordered that the production be staged (on Dec. 13, 1913) at the much smaller Hermitage Theater.

With World War I came a suspension of Wagner performances, but thereafter the new Bolshevik regime actually looked kindly on the composer.

Tony Palmer's production sometimes suggested what "Parsifal" might have looked like had it become part of the Russian operatic heritage. Sets by the late Yevgeni Lisik recalled the visual detail of Bayreuth's first production, designed by the Russian painter Paul Zhukovsky. Christian icons were reproduced on a massive scale at key dramatic moments, while the first scene in the Grail Hall had a homespun feeling as a crew of women — not what one expects in this male bastion — set up and later dismantled the communion table, just as they might do in a local church. Processions through the audience in the first act added to the feeling of informality. Recent productions of "Parsifal" have sometimes portrayed the Grail knights as detached and remote. Here they were very much brought down to earth — too much so, perhaps, given the otherworldly nature of the music.

But Palmer, aided by Vladimir Lukasevich's lighting, succeeded in making vivid the opera's long scenes of narration and confrontation. Of course, the strong cast helped. Indeed, performances on the order of Gennadi Bezzubenkov's Gurnemanz suggested that a return to golden-age Wagner at the Mariinsky might be more than just a glimmer in Gergiev's eye. In a role where a command of verbal subtleties is at least as important as beautiful tone, Bezzubenkov had both.

Fedor Mozhaev (Amfortas), Nikolai Putilin (Klingsor), and Nikolai Okhotnikov (Titurel) also upheld the high standards of the Kirov's low-voiced men. And one is tempted to place the tenor Alexei Stebianko among them, for his Parsifal had a rich, baritonal quality.

The role of Kundry needs a bigger voice than that of Valeria Stenkina. Fortunately, the young singer wisely refused to force the tone, and, after one's ears made the necessary adjustment, the voice sounded radiant and true. Moreover, as the temptress in the second act, she was more persuasive visually than any Kundry this veteran "Parsifal" observer can recall.

Yet despite the evening's many points of interest, historical and otherwise, it was the prospect of hearing Gergiev, previously known internationally only for "Lohengrin," in another Wagner opera, that attracted the most attention.

Happily, the kind of painfully slow, note-by-note examination of the opera now popular in some quarters is not for him. By current standards his performance was rather on the fast side, but it always had time to linger over phrases when the music demanded it. And such familiar Gergiev qualities as scrupulous attention to orchestral balances, close stage/pit rapport and plenty of forward momentum were always in evidence. He demonstrated what many opera-goers may have lost sight of — that "Parsifal" is not just a solemn opera but an exciting one.

George W. Loomis is a St. Petersburg-based writer on music.

A Remodeled 'Freischuetz'

By Paul Moor
International Herald Tribune

BERLIN — Outside Germany, Carl Maria von Weber's opera "Der Freischuetz" remains, as a whole, unfamiliar though its overture has long since become almost too popular.

Even its untranslatable title has militated against its popularity abroad. *Schuetz* refers to an old-fashioned rural shooting competition, *frei* to the supernatural status of every seventh bullet, the actual target of which Samiel a.k.a. Satan has the supernatural power to determine.

Nikolaus Lehnhoff's new production for the Deutsche Staatsoper has little in common with the work's literal-minded 1821 world premiere. Audiences conceived of the devil then as only too real, and took quite seriously the second act's diabolic pact in which hapless Max barters his soul for the bull's-eye that will win him the hand of Agathe. All this stuff about unsuccessful shooting has long since afforded psychoanalytic amateurs a field day in turning Friedrich Kind's libretto into a symbolic drama, but Lehnhoff has chosen to take off in his own direction.

Act 2's Satanic ritual here turns into something gratuitously sanguinary. And, in accord with a curious German theatrical folkway that in recent years has made transvestism almost conformist, it has amused Lehnhoff to cast a woman in Samiel's role (Gerlinde Kempendorff).

Working with a splendid cast and the Berliner Staatskapelle, Zubin Mehta emerges as this production's central figure, occasionally pushing tempos to his forces' limits, but obtaining an orchestral transparency that makes perceptible much detail usually obscured.

Vocally, Carola Hoehn (Agathe) and Dorothea Roeschmann (Aennchen) especially stand out in the two female parts. Kim Begley, a Briton, singing Max in his Staatsoper debut, held his own against the powerful Kaspar of Falk Struckmann. Tobias Hoheisel's sets and costumes successfully contrast the work's menacing and innocent components.

A Breathtaking Version of 'The Seagull'

By Sheridan Morley
International Herald Tribune

LONDON — Peter Hall's "The Seagull" is just breathtaking. A new translation by Tom Stoppard remains utterly faithful to the original while giving it the lightest dusting of his own brisk wit, and the casting is equally dazzling.

Stoppard and Hall have given us a play that might have been written a hundred days instead of a hundred years ago, and what they have understood is that not only is Arkadina a truly terrible actress but her son is a truly terrible writer.

Once you get this, the final chilling joke becomes clear: only the household help who stay buried in the country have any real judgment, while those who are set on the bright lights of fame, not just Arkadina and Konstantin but also Trigorin and Nina, are really a bunch of mediocre no-hopers. Every single performance here, from Felicity Kendal as Arkadina and Michael Pennington as Trigorin to Dominic West as Konstantin and Janine Duvitski as an unusually manic Masha, is the best in the role I think I

LONDON THEATER

have ever seen, but finally it is the young Victoria Hamilton, whose Nina marks her out for intense future stage or screen stardom.

And let's be clear about what is going on at the Vic. At a time when the National has turned its back on even the kind of semi-permanent company they once had at the Cottesloe, and when the RSC is in a regional meltdown as the center of the company continues to fall apart, Hall has restored the idea of a London classical repertory company of the kind for which the Old Vic was created by first Lilian Baylis and later Laurence Olivier.

There has always been a lot less to Terence McNally's "Master Class" (Queens) than meets the eye; the snob hit of a couple of seasons ago on Broadway, it allows one tumultous diva (originally Zoe Caldwell, then as now in London, Patti LuPone) to pull out all the stops in a bravura performance largely created to cover up the cracks in the play.

The problem with "Master Class," as with the "Marlene Dietrich" salute that is now its neighbor on Shaftesbury Avenue, is that nobody seems to have quite decided in rehearsal whether we are dealing with a concert or a critical biography or a fan magazine brought to flickering life.

At the Bush, Joe Penhall's "Love and Understanding" is essentially Noël Coward's "Design for Living" updated to the street-smart late '90s. Once again we have three people who can live neither together nor apart. Two of them are noble, hard-working West London hospital doctors while the third is the inevitable charismatic lone ranger who erupts into the midst of their live-in relationship to try to make sure that they become as destroyed as himself.

Mike Bradwell splendidly directs Nicolas Tennant and Celia Robertson as the all too sympathetic couple, and Paul Bettany as the force for evil. But from the very beginning it is clear that the triangle is really kind of eternal and that by the end of the evening the love and understanding of the title will be sorely tested but never entirely ruined. What we have here are three brilliantly drawn characters in search of a plot that somehow never kicks in.

BOOKS

SNOW IN AUGUST

By Pete Hamill. 327 pages. $23.95. Little, Brown & Co.

Reviewed by Christopher Lehmann-Haupt

PETE HAMILL'S new novel, "Snow in August," begins in the last week of 1946, in a tenement house on "the western slopes of the borough of Brooklyn." On a cold and blizzardy morning, 11-year-old Michael Devlin gets out of bed early, with his head full of fantasies of Captain Marvel and the power of the word "shazam," and makes his way through snowy streets to serve as altar boy at Saturday mass.

This is of course familiar fictional territory for Hamill, who is editor in chief of The Daily News in New York and the author of seven previous novels, two volumes of short stories, two collections of his journalism and the memoir "A Drinking Life."

On his way to mass, Michael is distracted from this world. As he passes a synagogue, a bearded man dressed in black hails him from a doorway and begs him to step inside. Michael nervously complies.

The man, who turns out to be the synagogue's rabbi, asks Michael to turn on a light. He explains that on *Shabbos* it is not permitted to do such labor. Michael flicks the light switch, is rewarded with a nickel and goes on his way.

But he is intrigued by the experience. A thoughtful and sensitive boy whose father was killed in the Battle of the Bulge, Michael is trying to figure out the world on his own. Among his many bafflements is the hostility toward Jews in his neighborhood, a confusion that is sharpened when later the same Saturday he witnesses the near-fatal beating of a Jewish candy store owner by Frankie McCarthy, a local hooligan.

Michael is fascinated with literature and learning. So he finds an excuse to return to the synagogue, falls into conversation with the rabbi and arrives at an agreement with him. Recently arrived in America from Czechoslovakia by way of the Dominican Republic, the rabbi — Judah Hirsch is his name — wants to improve his English and learn more about American culture. He will teach Michael Yiddish and tell him about the culture of his native Prague. In exchange Michael will be his "Shabbos goy," help him improve his English and in particular explain the game of baseball, which Rabbi Hirsch sees "as his key to understanding America."

Although conventional in form, "Snow in August" takes many risks, often approaching the brinks of sentimentality and cuteness without ever going over. As Rabbi Hirsch describes Prague's past, Michael envisions the spirits of the dead rising Chagall-like from a dug-up Jewish cemetery.

"Michael saw them now, hundreds of them, floating in the air, cartwheeling, swooping, men searching for women, and children searching for parents, high above the spires of St. Vitus, mixed in with Finn MacCool's lost followers, the fianna, all of them careening like birds, like a lost flock of robins."

In exchange, Michael answers the rabbi's questions about the baseball announcer Red Barber.

" 'There's a bird in America that looks like a cat?' the rabbi asked.

" 'I don't know,' Michael said.

" 'So why does Red Barber say the Dodgers, they are in the catbird seat?'

" 'He says it all the time, like he says rhubarb.'

"The rabbi was flicking through his dictionary.

" 'Rhubarb? That's like a fruit I see in Roulston's grocery store.'

" 'Red Barber uses it to describe, like, well, a big fight. You know, if a batter gets hit by a pitch and he charges the mound? Or when Leo Durocher comes out to holler at the umpires. That's a rhubarb. And he says 'We're sitting in the catbird seat' when he means the Dodgers are in good shape. They have the upper hand. They're sitting pretty. Know what I mean?'

" 'No.' "

What keeps Hamill's plot boiling is the threat to Michael from Frankie McCarthy and his gang, who are afraid that Michael will tell what he knows about Frankie's beating of the candy-store owner. Michael is determined not to be marked a "squealer," even though Rabbi Hirsch assures him, "You keep quiet about some crime, it's just as bad as the crime."

Still, because Frankie is found out, Michael is treated as if he had informed, losing his best friends and getting beaten up by Frankie's gang. In the end he is pushed to wreak revenge on his tormentors, and Hamill permits *him to act out a juvenile fantasy tantamount to achieving* the power of Captain Marvel by speaking the magic word shazam.

At first you hesitate to go along with this fabrication, which is as far removed from plausibility as the snow in August of the novel's title. *But then you end up giving in* to it. After all, when you're 11 years old and surrounded by huge enemies, you sometimes have to give reality a hard twist to put yourself in the catbird seat.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BEST SELLERS

New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Week	Weeks on List
1	PRETEND YOU DON'T SEE HER, by Mary Higgins Clark	1	3
2	THE PARTNER, by John Grisham	2	9
3	THE RANCH, by Danielle Steel	3	4
4	THE NIGHT CREW, by John Sandford	4	3
5	THE NOTEBOOK, by Nicholas Sparks	6	29
6	AFFAIR, by Amanda Quick	11	2
7	OUT TO CANAAN, by Jan Karon	7	2
8	MCNALLY'S GAMBLE, by Lawrence Sanders	9	4
9	SMALL VICES, by Robert B. Parker	12	4
10	3001: The Final Odyssey, by Arthur C. Clarke	10	9
11	CHROMOSOME 6, by Robin Cook	5	6
12	THE CELESTINE PROPHECY, by James Redfield		160
13	THE GOSPEL ACCORDING TO THE SON, by Norman Mailer		1
14	AVENGER, by William Shatner with Judith Reeves-Stevens and Garfield Reeves-Stevens	13	3
15	PLANET OF TWILIGHT, by Barbara Hambly	14	4

NONFICTION

This Week		Last Week	Weeks on List
1	UNDERBOSS, by Peter Maas	2	2
2	ANGELA'S ASHES, by Frank McCourt	1	34
3	CONVERSATIONS WITH GOD, by Neale Donald Walsch	3	21
4	MOTHERS & DAUGHTERS, by Carol Saline and Sharon J. Wohlmuth	12	2
5	INTO THIN AIR, by Jon Krakauer		1
6	LOCKED IN THE CABINET, by Robert B. Reich	14	2
7	PERSONAL HISTORY, by Katharine Graham	5	13
8	MIDNIGHT IN THE GARDEN OF GOOD AND EVIL, by John Berendt	6	147
9	THE MILLIONAIRE NEXT DOOR, by Thomas J. Stanley and William D. Danko	7	16
10	THE GIFT OF PEACE, by Joseph Cardinal Bernardin	4	14
11	NICKEL DREAMS, by Tanya Tucker with Patsi Bale Cox	8	4
12	NAKED, by David Sedaris	9	6
13	THE KISS, by Kathryn Harrison	10	7
14	MURDER IN BRENTWOOD, by Mark Fuhrman	11	10
15	DR. SUSAN LOVE'S HORMONE BOOK, by Susan M. Love with Karen Lindsey	15	7

ADVICE, HOW-TO AND MISCELLANEOUS

This Week		Last Week	Weeks on List
1	KIDS ARE FUNNY, from "The Rosie O'Donnell Show"	1	3
2	SIMPLE ABUNDANCE, by Sarah Ban Breathnach	2	57
3	SUCCESS IS A CHOICE, by Rick Pitino with Bill Reynolds	4	4
4	EIGHT WEEKS TO OPTIMUM HEALTH, by Andrew Weil	3	8

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BUSINESS/FINANCE

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WEDNESDAY, MAY 14, 1997

NBC Scores Serious Coup By Salvaging Hit Comedy

Stars' Big Bucks Are a Bargain for Network

By Paul Farhi
Washington Post Service

NEW YORK — Even by the richer-than-Midas standards of the American entertainment industry, the news out of Hollywood over the weekend was still dazzling.

Jason Alexander, Julia Louis-Dreyfus and Michael Richards — best known to television viewers as George, Elaine and Kramer — agreed to return to NBC's hit sitcom "Seinfeld" for at least two more years.

Although they were threatening to leave the show if they weren't paid $1 million an episode, the trio settled for $600,000 each (up from $160,000), according to network sources.

Though that totals an astounding $13.2 million a year — each — for appearing in 22 shows that air for no more than 22 minutes on Thursday nights, industry executives say it is a good deal for NBC.

"If you're faced with paying exorbitant amounts of money to the actors, or damaging your entire position in the marketplace, it's not such a big stretch to pay off the actors," said Bob Flood, a network television buyer for DeWitt Media Corp. of New York.

"Seinfeld" is an unusual property, industry experts said. It is not only the top-rated comedy on American television, but also a cornerstone of NBC's lineup, from which the network launches other hits. Jerry Seinfeld himself, the show's star, is said to be paid about $1 million an episode, plus a share of the first-run and syndication profits.

Because of the comedy's unique position, few in the television industry expect the "Seinfeld" trio's rich payday to spark a dramatic escalation in salaries paid to other network stars.

NBC, which will share the costs of the stars' salaries with the program's producers, was certainly crowing. The network played the Hallelujah chorus from Handel's "The Messiah" as it announced the return of "Seinfeld" to its fall lineup during its annual presentation to ad agency buyers here. The network's president, Warren Littlefield, was introduced to the crowd as "the greatly relieved Warren Littlefield."

"Praise the Lord," Mr. Littlefield said, and then joked that his 12-year-old son could now return to school without getting beaten up.

NBC will bankroll about two-thirds of the tab for the three co-stars, and will sweeten the pot by giving them an undisclosed amount of stock in General Electric Co., NBC's parent company.

The rest of the money will come from Time Warner's Castle Rock Pictures, which produces "Seinfeld," and Sony Corp.'s Columbia TriStar Pictures, which syndicates it, production executives said.

All told, those 22 minutes of "Seinfeld" will cost more than $3 million to produce each week, a record for a situation comedy.

"Seinfeld" is the second-highest-rated regularly scheduled program on television — after NBC's other hit, "ER." But it is perhaps the most important show on television, because NBC has built its powerhouse Thurs-

See SEINFELD, Page 15

The Associated Press
Michael Richards, Julia Louis-Dreyfus, Seinfeld and Jason Alexander.

Digital Accuses Intel Of Patent Violations

Analysts Call Suit Surprising and Risky

By Mitchell Martin
International Herald Tribune

NEW YORK — Digital Equipment Corp. stunned Wall Street and Silicon Valley on Tuesday, saying it had sued Intel Corp. for misappropriating semiconductor technology used in its industry-dominating Pentium chips.

Intel did not have a response to the action. Digital's chief executive, Robert Palmer, said the companies had not been in contact about the matter. Mr. Palmer said his company shared the technology during discussions in 1990 and 1991 over Intel adopting the architecture used in Digital's Alpha chips.

Although analysts said it would be hard for Digital to prove its allegations, Intel's stock fell $6.125 to close at $153 a share. Digital rose $2.25, to $35.375.

Digital's suit, filed in federal court in Worcester, Massachusetts, late Monday, seeks an injunction that would stop Intel from using the technology and an unspecified amount of damages, three times the actual amount lost. Mr. Palmer did not specify what those damages would be. "That will be developed in the course of litigation," he said. "What's obvious is that the numbers are huge."

In a televised interview after his initial comments, Mr. Palmer said two-thirds of Intel's sales "potentially" were "infringing Digital patents." Intel had $20.8 billion of revenue last year.

The legal action is risky for Digital, analysts said. The company is claiming Intel has violated 10 patents, but one analyst, who asked not to be identified, said the underlying concepts had been discussed for as long as 30 years.

Another analyst, Nathan Brookwood of Dataquest Inc., said the suit was a "bet-your-company kind of strategy." One possible explanation, he said, is that "it really is incredibly clear to Digital that something was stolen."

Even so, he added, it was "uncharacteristic" of the company to go to court without first negotiating with Intel. If the case were to reach a trial and Digital to lose, its reputation would be damaged.

The suit covers the Pentium, Pentium Pro and the new Pentium II chips. The original Pentium was introduced in 1993, but Mr. Palmer said it was the 1995 introduction of the Pentium Pro that had made him suspicious. He said he was "surprised" by a "quantum leap" in the chip's technology.

Mr. Palmer added that a published report last summer that quoted Intel executives as saying they had done "little original research on design" had persuaded him to act. "I don't mind competing against Intel," he said, "but I would rather not compete against our own technologies."

The first analyst speculated that Digital was seeking to force a settlement under which Intel would pay royalties for using the technology. That, he said, would be similar to accords between Intel and Advanced Micro Devices Inc.

AMD had the right to duplicate Intel's early microprocessors. Intel tried to stop AMD from copying later versions. After nearly a decade of legal disputes, AMD won a license to reproduce the microcode in Intel's 386 and 486 chips.

Charges Loom In Nomura Affair

Compiled by Our Staff From Dispatches

TOKYO — Japan's Securities and Exchange Surveillance Commission asked prosecutors Tuesday to charge Nomura Securities Co., Japan's largest brokerage firm, and three executives with illegally compensating a racketeer for trading losses.

The Finance Ministry has barred the firm from bidding for and underwriting Japanese government bonds until the scandal is resolved, a ministry official said. Major clients have shied away from Nomura since the scandal surfaced in March.

Nomura and the three executives allegedly compensated Kojin Building in 1995 for losses totaling more than $400,000, an official said. The violation carries a maximum penalty of one year in jail and a fine of $8,400 for individuals, and a maximum fine of $840,000 for companies. Without explicitly admitting guilt, Nomura has apologized for the scandal; 10 of its top executives have resigned. *(Bloomberg, AP)*

Black Days for Coffee Lovers as the Market Boils

By David M. Halbfinger
New York Times Service

NEW YORK — From a cappuccino *grande* at a fancy coffee bar to a plain cup of "black, no sugar" at a street vendor's cart, from a pound of Swiss water-processed decaffeinated beans at a gourmet store to a can of ground Colombian at the grocery store, the price of coffee is going up.

The price increase, caused in part by increased demand for good coffee and shortages in stockpiles, is the longest sustained rise in 20 years, and its impact is being felt across the board by importers and roasters, as well as small specialty retailers and consumers.

[In London, coffee futures surged Tuesday, with the benchmark July contract closing at a one-year high of $1,817 a ton after a rally in New York on Monday, Reuters reported].

At the Coffee, Sugar & Cocoa Exchange in New York, the spot market price for green arabica beans has more than doubled since January. May coffee futures closed Tuesday at $2.61 a pound, up 15.35 cents from Monday, surpassing the previous record close set in 1994, when a devastating frost wiped out crops in Brazil, the world's largest producer.

The price surge began when industry forecasters started projecting smaller crops in Central America during the current season and in South America in the coming season.

Helping to keep it going, coffee supplies in U.S. warehouses are at 20-year lows. Low prices in 1995 and 1996 drove some growers out of business, analysts said, and caused others to cut back on costly agricultural techniques, and even on water, reducing the supply.

Meanwhile, worldwide demand has been rising, particularly in Europe and Asia.

"There's a squeeze coming in the second half of this year," said Roland Veit, chairman of Paragon Coffee Trading Co., an importer in White Plains, New York.

"There's just not enough coffee around. And if we have another frost, the market'll double again."

MEDIA MARKETS

In Latin America, Pay TV Is Hot News

By Larry Rohter
New York Times Service

MIAMI — With more than 450 million potential viewers, Latin America offers a cable-television market ripe for the plucking, and with that idea in mind, Cable News Network began giving Latin Americans news around the clock in their own language in mid-March. The broadcast network CBS, however, already provides such a service, as do networks based in Mexico, Brazil and Spain.

Cable television may have arrived late and only patchily to the Spanish- and Portuguese-speaking world. But rising incomes, the introduction of satellite dishes and a sudden proliferation of 24-hour-a-day news services have abruptly transformed Latin America into one of the most contested pay-television markets in the world, pitting networks based in the United States against indigenous rivals throughout the region.

At stake is the dominance of an area that already has almost as many households with television, nearly 90 million, as the United States and is expanding at a dizzying pace as a growing middle class embraces cable and satellites and the news and entertainment they offer.

With the Latin American pay-television market expected to generate at least $2.5 billion annually in advertising revenue and subscriber fees by 2000, broadcasters say it is imperative to establish a presence now.

"We feel the marketplace has matured to the point that a 24-hour-a-day operation makes sense both journalistically and financially," said Eason Jordan, executive vice president of CNN International, a unit of Time Warner Inc.

"Latin America is an awfully big place, where the cable and satellite marketplaces are growing extraordinarily rapidly," Mr. Jordan said, "advances in technology and systems of distribution have created new opportunities, and most countries, with the notable exception of Brazil, speak the same language."

CNN en Espanol, which went on the air March 17, is the Atlanta-based network's first venture into round-the-clock news programming under its own name in a language other than English.

But the field is crowded: CBS, for instance, has been in the market almost a year, having bought Telenoticias in mid-1996 from a consortium that included Reuters Holdings PLC, Telemundo and the Antena 3 network of Spain. CBS is owned by Westinghouse Electric Corp.

But the American entrants face competitors who argue that they have a longer track record or greater familiarity with the Spanish-language news market.

These include Eco, a 9-year-old all-news subsidiary of Mexican-based Televisa, and TVE, a news, information and entertainment channel operated by the Spanish government, as well as Canal Sur, which rebroadcasts news programs from every major Latin America country, and Univision, the Miami-based Spanish-language network whose news and magazine programs are widely seen.

In addition, several companies are about to start Portuguese-language services aimed at Brazil, the region's biggest country, with a population of 170 million and a cable market that is growing by 60,000 households a month.

Both CBS Telenoticias and Eco expect to begin broadcasting sometime this year, putting themselves in direct competition with a news channel offered by Rede Globo, Brazil's leading network and a partner with Time Warner in a new Portuguese-language educational network scheduled to go on the air this summer.

Thus far, none of the channels is making money, not even Eco, which has been on the air since September 1988 and says it does not expect to turn a profit until 2000. But in a part of the world where illiteracy is still high and new entrants into the middle class are eager to consume, broadcasters say television offers opportunities that other media do not.

According to a study published last month by Audits & Surveys, a New

See CABLE, Page 15

CURRENCY & INTEREST RATES

Cross Rates

May 13

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.90	3.1125	1.1248	0.334	0.1137*	—	5.449*	1.3285	1.604*	1.377	1.331*
Brussels	35.088	57.05	20.641	6.127	2.087*	18.35	—	24.4675	0.2948	25.34	24.50*
Frankfurt	1.6995	2.765	—	0.2967	0.1011*	0.8891	4.8451*	1.1846	1.4269*	1.2268	1.1841*
London (a)	1.6319	—	2.7697	9.3286	2,739.96	3.1151	57.1655	2.3446	194.196	2.2638	234.096
Madrid	143.675	232.285	84.49	25.076	8.54*	75.116	4.0936	100.101	120.482*	103.632	—
Milan	1,680.80	2,724.48	998.19	293.90	—	879.80	47.938	1,171.70	14.13	1,212.00	11.73
New York (b)	—	1.6325a	1.694	5.7045	1,678.00	1.9078	35.01	1.437	118.62	1.3873	143.55
Paris	5.7295	9.303	3.3693	—	0.3406*	2.9955	0.1632	3.9919	4.8846*	4.1327	3.989*
Tokyo	119.50	193.91	70.11	20.80	0.708	62.23	3.3978	83.16	—	86.06	0.8288
Toronto	1.3872	2.2664	0.8181	0.2437	0.0827*	0.7275	0.3962*	0.9647	1.1703*	—	0.968*
Zurich	1.4363	2.3442	0.8463	0.2515	0.0856*	0.7524	4.0986*	—	1.207*	1.0359	1.0021*
1 ECU	1.1499	0.7081	1.9555	6.5886	1,934.53	2.1995	40.3598	1.6505	137.33	1.5943	165.177
1 SDR	1.3853	0.8520	2.3557	7.9372	2,330.52	2.6497	48.5555	1.9869	165.546	1.9263	198.987

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4 p.m. and Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	270.59	Mex. peso	7.903	S. Afr. rand	4.4655
Australian $	1.2842	Hong Kong $	7.74	N. Zealand $	1.4378	S. Kor. won	892.90
Austrian sch.	11.948	Hung. forint	179.63	Norw. krone	7.055	Swed. krona	7.6686
Brazil real	1.0664	Indian rupee	35.843	Phil. peso	26.36	Taiwan $	27.77
Chinese yuan	8.323	Indo. rupiah	2427.00	Polish zloty	3.15	Thai baht	25.92
Czech koruna	30.42	Irish £	0.6611	Port. escudo	170.46	Turkish lira	136150.
Danish krone	6.4630	Israeli shek.	3.4003	Russ ruble	5752.5	UAE dirham	3.671
Egypt. pound	3.3952	Kuw dinar	0.3003	Saudi riyal	3.75	Venez. boliv.	481.50
Fin. markka	5.1143	Malay. ring.	2.5165	Sing. $	1.4353		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6241	1.6234	1.6225	Japanese yen	118.53	118.03	117.50
Canadian dollar	1.3833	1.3807	1.3779	Swiss franc	1.4282	1.4236	1.4187
Deutsche mark	1.6942	1.6907	1.6868				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

May 13

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 1/2 - 5 5/8	3 - 3 1/8	1 11/16 - 1 13/16	6 5/16 - 6 7/16	3 1/4 - 3 5/16	7/16 - 9/16	4 - 4 1/8
3-month	5 11/16 - 5 13/16	3 - 3 1/8	1 11/16 - 1 13/16	6 5/16 - 6 7/16	3 5/16 - 3 7/16	1/2 - 5/8	4 - 4 1/8
6-month	5 7/8 - 5 15/16	3 1/16 - 3 3/16	1 3/4 - 1 7/8	6 1/2 - 6 5/8	3 3/8 - 3 1/2	1/2 - 9/16	4 1/16 - 4 3/16
1-year	6 1/8 - 6 1/4	3 1/4 - 3 3/8	1 13/16 - 1 15/16	6 13/16 - 6 15/16	3 9/16 - 3 11/16	13/16 - 15/16	4 1/8 - 4 1/4

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 1/4	5 7/16
90-day CDs dealers	5.71	5.70
180-day CP dealers	5.70	5.70
3 month Treasury bill	5.08	5.02
1-year Treasury bill	5.55	5.51
2-year Treasury bill	6.26	6.19
5-year Treasury note	6.56	6.49
7-year Treasury note	6.62	6.55
10-year Treasury note	6.71	6.64
30-year Treasury bond	6.92	6.87
Merrill Lynch 30-day RA	4.98	4.98
Japan		
Discount rate	0.50	0.50
Call money	0.41	0.40
1-month interbank	0.52	0.53
3-month interbank	0.54	0.54
6-month interbank	0.62	0.62
10-year Govt bond	2.73	2.82
Germany		
Lombard rate	4.50	4.50
Call money	3.13	3.00
1-month interbank	3.18	3.10
3-month interbank	3.22	3.18
6-month interbank	3.25	3.18
10-year Bund	5.68	5.74
Britain		
Bank base rate	6 1/4	6 1/4
Call money	6 5/16	6 3/16
1-month interbank	6 5/16	6 5/16
3-month interbank	6 1/2	6 7/16
6-month interbank	6 5/8	6 9/16
10-year Gilt	6.99	6.96
France		
Intervention rate	3.10	3.10
Call money	3 5/16	3 5/16
1-month interbank	3 1/4	3 1/4
3-month interbank	3 3/8	3 1/4
6-month interbank	3 7/16	3 7/16
10-year OAT	5.57	5.61

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	348.15	−2.65
London	347.30	348.90	+0.70
New York	348.60	350.50	+1.80

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (June.)
Source: Reuters.

Global Private Banking

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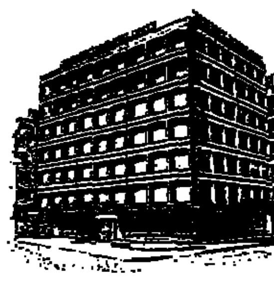
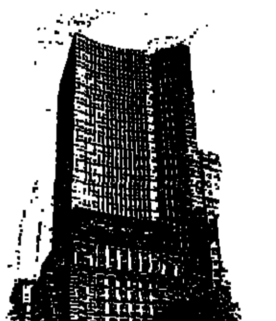


Headquarters of Republic National Bank of New York (Suisse) S.A. in Geneva.



World Headquarters of Republic National Bank of New York in New York.

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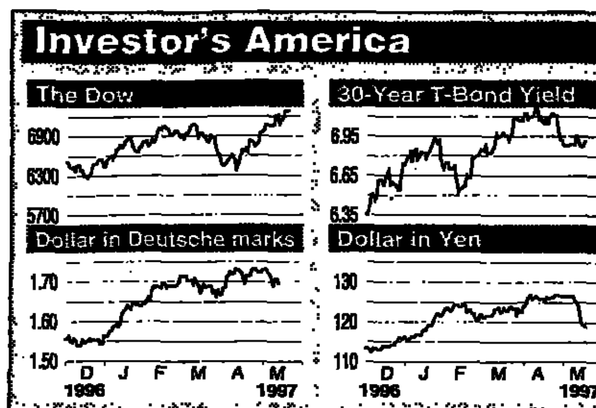
Investor's America



Exchange	Index	Tuesday @4PM	Prev. Close	% Change
NYSE	The Dow	7274.21	7292.75	-0.25
NYSE	S&P 500	833.13	837.66	-0.54
NYSE	S&P 100	818.91	823.55	-0.56
NYSE	Composite	433.97	435.20	-0.28
U.S.	Nasdaq Composite	1333.59	1344.19	-0.79
AMEX	Market Value	579.60	578.47	+0.20
Toronto	TSE Index	6249.20	6272.60	-0.37
São Paulo	Bovespa	10642.98	10681.05	-0.36
Mexico City	Bolsa	3930.74	3930.00	+0.02
Buenos Aires	Merval	729.29	726.98	+0.32
Santiago	IPSA General	5396.49	5372.15	+0.45
Caracas	Capital General	6605.53	6588.08	+0.26

Source: Bloomberg, Reuters — International Herald Tribune

Apple Hits a State of Rhapsody

Computer Firm Presents New Operating System Software

By Lawrence M. Fisher
New York Times Service

SAN FRANCISCO — Apple Computer Inc., still trying to find the comeback trail, reached a crucial milestone Tuesday when it demonstrated an early version of the new operating system software on which Apple is staking its future.

Apple hopes the system, code-named Rhapsody, will restore the company's reputation for software that is as innovative as it is easy to use.

Since the beginning of the year, Apple has introduced a number of powerful new Macintosh machines, including the world's fastest laptop computer, which have helped put the sheen back on the company's hardware. But restoring the software side of its business, which long distinguished Apple computers from PCs running Microsoft software, is in many ways the harder part.

Without the support of outside software developers — the companies that create the spreadsheets, word-processing programs, scheduling programs and other applications that give utility to an operating system — Rhapsody cannot succeed.

"This is so critical to them," Tim Bajarin, an analyst with Creative Strategies, said. "If Apple's going to survive and thrive, they have to convince these developers to come back to the fold."

Having lost nearly $1.7 billion and significant market share over the last six quarters, Apple is striving to retain or restore the confidence of its customers — which first means securing the support of the software developers on whose products those customers will depend. Mr. Bajarin said he expects Apple to surprise attendees at its World Wide Developers Conference, where Rhapsody is being unveiled, with a new implementation of Java, Sun Microsystems Inc.'s programming language for the Internet.

For the last 18 months or so, Java has held out the promise of bringing sophisticated new capabilities to the Internet, like so-called applet programs that can perform such tasks as going out over the network and seeking stock quotes and bringing them back to automatically update a user's portfolio. But so far, limitations in the software loaded on most people's PCs have stifled the growth of Java computing.

Apple's version of Java will work more directly with the Macintosh operating system in Rhapsody, giving it a performance edge over current PCs, Mr. Bajarin said. "Although it's not 100 percent Java," he said, "it is an excellent implementation."

Higher Bond Yields Weigh on Stock Prices

Compiled by Our Staff From Dispatches

NEW YORK — Stocks fell Tuesday as investors, fearful of troubling news about inflation or interest rates, secured some profits from the market's record-setting rebound.

The Dow Jones industrial average closed down 18.54 points at 7,274.21, while the broader Standard & Poor's 500-share index lost 4.53 points, to 833.13. Losing issues outnumbered gaining ones by a 7-to-5 ratio on the New York Stock Exchange.

Higher interest rates in the Treasury bond market weighed on stocks. The price of the benchmark 30-year issue fell 13/32 of a point, to 96 10/32, taking the yield up to 6.92 percent from 6.87 percent Monday.

Bond prices retreated after the president of the Richmond Federal Reserve Bank, J. Alfred Broaddus, said recent reports of low inflation had been due to "temporary factors."

A news agency report saying the Federal Reserve Board was likely to raise the federal funds target rate by 25 basis points next week when its policy-making Open Market Committee met also pressured bond prices. The report cited sources close to the Fed.

Optimism that the Fed might forgo a rate increase next week had helped the Dow climb more than 14 percent from recent lows it reached April 11. Lower rates raise profit expectations by keeping corporate borrowing costs low and letting economic growth run its course.

Now, with stocks at records, some investors said the market could be at risk of a setback if the Fed raised interest rates or profits fell short.

Technology stocks were weak, led by Intel, which was the most actively traded U.S. issue and fell 6⅛ to close at 153. Digital Equipment is suing Intel for allegedly using Digital designs in its best-selling Pentium chip. Digital, which

U.S. STOCKS

makes the less popular but more technologically advanced Alpha microprocessor, rose 2¼, to 35⅜.

Micron Technology fell 2¼ to 34¼ after a report by the Semiconductor Industry Association said chip sales were expected to grow 4.6 percent this year, reduced from an earlier estimate of 7.4 percent.

Micron Electronics, unrelated to Micron Technology, fell 5½ to 18½ after the company canceled an afternoon appearance at a Smith Barney conference in New York.

IBM rose ⅛ to 173⅜; Goldman, Sachs said the stock could rise to 225 in 12 months.

Andrew Corp. fell 5¾ to 23⅝ on concerns about revenue growth at the supplier of phone equipment. John Adams, an analyst at Wessels Arnold & Henderson, cut the stock to "hold" from "buy."

American Management Systems rose ⅞ to 25⅛ after the provider of business consulting services said it had won a systemwide contract to sell document-management and other software to Bon Secours Health System, which operates 22 facilities that generate more than $1 billion in annual revenue.

(Bloomberg, AP, Reuters)

Very briefly:

P&G and Regeneron Form Alliance

TARRYTOWN, New York (Bloomberg) — Procter & Gamble Co. and Regeneron Pharmaceuticals Inc. have agreed to a 10-year drug-development alliance under which P&G will provide $135 million to the drugmaker in the next five years.

P&G will gain rights to Regeneron technology that is expected to produce drugs to treat cardiovascular, bone and muscle disorders, the companies said. They said the deal would allow them to develop and market jointly any products that came out of the partnership and to split profits equally.

Under the agreement, Procter & Gamble will buy $60 million in Regeneron stock and give the company $75 million for research in the first five years. In the second five years, the companies said, they will share expenses.

- **J.C. Penney Co.**'s first-quarter net profit fell 2 percent, to $139 million, on lower profit from department-store and catalogue operations, despite a 44 percent rise in sales, to $6.70 billion.
- **Dillard Department Stores Inc.**'s first-quarter net profit rose 3 percent, to $56.4 million, as sales climbed 5 percent, to $1.52 billion.
- **Deere & Co.**'s net profit for its second quarter rose 17 percent, to $319.5 million, as strong demand for its farm machinery lifted sales 14 percent, to $3.52 billion.
- **Tyco International Ltd.** is buying **Inbrand Corp.** in a stock swap valued at $320 million to expand its line of disposable diapers and adult incontinence and feminine hygiene products.
- **National Semiconductor Corp.** will take a charge of about $60 million against fourth-quarter earnings to close two California plants and write off some equipment at a Texas plant.
- **Harcourt General Inc.** agreed to pay $21 a share, or about $800 million, to acquire **National Education Corp.**
- **Raytheon Co.** won orders valued at about $710 million from the air force and **Executive Jet Inc.** *Bloomberg, Reuters*

Fall in U.S. Retail Sales Weakens Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell against other major currencies Tuesday after a drop in U.S. retail sales reduced the chances that the Federal Reserve Board would raise interest rates Tuesday.

Comments from Treasury Secretary Robert Rubin also pulled the dollar down. Mr. Rubin said U.S. policy on the dollar was "unchanged," which traders saw as an indication that officials were content with the currency's recent decline.

Retail sales, which generate

FOREIGN EXCHANGE

about one-third of U.S. economic activity, fell a seasonally adjusted 0.3 percent in April, the Commerce Department said Tuesday.

Although retail sales are not a direct indicator of inflation, "anything that hints at a slowing in the U.S. economy" can be read as another reason for the Fed not to raise rates, one trader said.

In late trading, the dollar fell to 1.6940 Deutsche marks from 1.7070 DM on Monday, to 118.62 yen from 119.37 yen, to 5.7045 French francs from 5.7565 francs and to 1.4370 Swiss francs from 1.4395 francs. The pound rose to $1.6325 from $1.6235. *(Market News, Reuters)*

Workers Walk Out at GM Unit

The Associated Press

WARREN, Ohio — Workers at a General Motors Corp. subsidiary walked out Tuesday, hobbling a unit that makes electric wiring for 20 automakers worldwide.

The walkout by 8,500 hourly workers at the Delphi Packard Electric Systems unit came after the failure of contract talks. The negotiations broke off after GM said it wanted the right to move jobs to Mexico at any time, said Mike Kowach, vice president of the Union of Electronic Workers' Local 717.

Mr. Kowach said the company in recent years had moved thousands of jobs making electronic parts and wiring to Mexico.

A spokesman for the automaker, Jim Kobus, said no new talks were scheduled.

The Delphi Packard unit, based in Warren, has an engineering center and 17 plants in northeastern Ohio and makes wiring harnesses. Half of its production goes into GM vehicles. Most other carmakers also are among its customers.

Delphi Packard has factories in other states that are not involved in the walkout.

AMEX

Tuesday's 4 P.M. Close
The top 300 most active shares, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
AM Intl	252	[illegible]	[illegible]	[illegible]	[illegible]
AMC	598	[illegible]	[illegible]	[illegible]	[illegible]
ARC	497	[illegible]	[illegible]	[illegible]	[illegible]
ARM F pf	81	[illegible]	[illegible]	[illegible]	[illegible]
ATT Fd	125	[illegible]	[illegible]	[illegible]	[illegible]
AVIC Go n	118	[illegible]	[illegible]	[illegible]	[illegible]
ActGrp s	1165	[illegible]	[illegible]	[illegible]	[illegible]
AdvMag	133	[illegible]	[illegible]	[illegible]	[illegible]
AdvMed	666	[illegible]	[illegible]	[illegible]	[illegible]
Aerosonic	175	[illegible]	[illegible]	[illegible]	[illegible]
Alamg wt	112	[illegible]	[illegible]	[illegible]	[illegible]
AHooper	996	[illegible]	[illegible]	[illegible]	[illegible]
Allin	105	[illegible]	[illegible]	[illegible]	[illegible]
AlldRsh	177	[illegible]	[illegible]	[illegible]	[illegible]
Amdahl	3325	[illegible]	[illegible]	[illegible]	[illegible]
AExpl	166	[illegible]	[illegible]	[illegible]	[illegible]
AIM 84	108	[illegible]	[illegible]	[illegible]	[illegible]
AIM 85	203	[illegible]	[illegible]	[illegible]	[illegible]
AmList	171	[illegible]	[illegible]	[illegible]	[illegible]
ARElnv	115	[illegible]	[illegible]	[illegible]	[illegible]
ATechC	148	[illegible]	[illegible]	[illegible]	[illegible]
Ampal	296	[illegible]	[illegible]	[illegible]	[illegible]
Ampex	1295	[illegible]	[illegible]	[illegible]	[illegible]
Andean	159	[illegible]	[illegible]	[illegible]	[illegible]
AmLiving	519	[illegible]	[illegible]	[illegible]	[illegible]
Astrotc	254	[illegible]	[illegible]	[illegible]	[illegible]
AtlTele	90	[illegible]	[illegible]	[illegible]	[illegible]
Atlantis	127	[illegible]	[illegible]	[illegible]	[illegible]
Audvox	832	[illegible]	[illegible]	[illegible]	[illegible]
Autotote	642	[illegible]	[illegible]	[illegible]	[illegible]
Axogen an	230	[illegible]	[illegible]	[illegible]	[illegible]
Azco	433	[illegible]	[illegible]	[illegible]	[illegible]
BAT Ind	883	[illegible]	[illegible]	[illegible]	[illegible]
Baldy s	382	[illegible]	[illegible]	[illegible]	[illegible]
BT depP	151	[illegible]	[illegible]	[illegible]	[illegible]
BT depO	859	[illegible]	[illegible]	[illegible]	[illegible]
BanLop s	118	[illegible]	[illegible]	[illegible]	[illegible]
BeardGld	1956	[illegible]	[illegible]	[illegible]	[illegible]
BeaiPh	281	[illegible]	[illegible]	[illegible]	[illegible]
BioRA s	245	[illegible]	[illegible]	[illegible]	[illegible]
BlairCp	110	[illegible]	[illegible]	[illegible]	[illegible]
Blonder	122	[illegible]	[illegible]	[illegible]	[illegible]
BogenC	88	[illegible]	[illegible]	[illegible]	[illegible]
Bowne	353	[illegible]	[illegible]	[illegible]	[illegible]
FortPet	371	[illegible]	[illegible]	[illegible]	[illegible]
FrnkSel	175	[illegible]	[illegible]	[illegible]	[illegible]
FreqEl	618	[illegible]	[illegible]	[illegible]	[illegible]
GA Fnl	354	[illegible]	[illegible]	[illegible]	[illegible]
GST Tele	2289	[illegible]	[illegible]	[illegible]	[illegible]
GamaB	128	[illegible]	[illegible]	[illegible]	[illegible]
GaylCn	1329	[illegible]	[illegible]	[illegible]	[illegible]
Gencor	487	[illegible]	[illegible]	[illegible]	[illegible]
GnAuto	168	[illegible]	[illegible]	[illegible]	[illegible]
GnEmp	106	[illegible]	[illegible]	[illegible]	[illegible]
GeoyDr	115	[illegible]	[illegible]	[illegible]	[illegible]
GetchGld	1872	[illegible]	[illegible]	[illegible]	[illegible]
GiantFd	457	[illegible]	[illegible]	[illegible]	[illegible]
Glacier	228	[illegible]	[illegible]	[illegible]	[illegible]
GlobSet	90	[illegible]	[illegible]	[illegible]	[illegible]
GoVideo	146	[illegible]	[illegible]	[illegible]	[illegible]
GldStrR	688	[illegible]	[illegible]	[illegible]	[illegible]
GldFld	151	[illegible]	[illegible]	[illegible]	[illegible]
GolfTst n	133	[illegible]	[illegible]	[illegible]	[illegible]
Greyhnd	1373	[illegible]	[illegible]	[illegible]	[illegible]
Grdsmc	326	[illegible]	[illegible]	[illegible]	[illegible]
HalEP	107	[illegible]	[illegible]	[illegible]	[illegible]
Halsey	257	[illegible]	[illegible]	[illegible]	[illegible]
HalwdM n	2809	[illegible]	[illegible]	[illegible]	[illegible]
HanvO	323	[illegible]	[illegible]	[illegible]	[illegible]
HarnDr	220	[illegible]	[illegible]	[illegible]	[illegible]
Hans wtB	2093	[illegible]	[illegible]	[illegible]	[illegible]
Harken	2370	[illegible]	[illegible]	[illegible]	[illegible]
Hasbro s	11989	[illegible]	[illegible]	[illegible]	[illegible]
HomAir	389	[illegible]	[illegible]	[illegible]	[illegible]
HlthCh	155	[illegible]	[illegible]	[illegible]	[illegible]
HltPower	157	[illegible]	[illegible]	[illegible]	[illegible]
Hearn	1727	[illegible]	[illegible]	[illegible]	[illegible]
HomeVll n	148	[illegible]	[illegible]	[illegible]	[illegible]
HondFdg	190	[illegible]	[illegible]	[illegible]	[illegible]
HondGn	390	[illegible]	[illegible]	[illegible]	[illegible]
Identix	3171	[illegible]	[illegible]	[illegible]	[illegible]
ImpCHlg	689	[illegible]	[illegible]	[illegible]	[illegible]
IneOil g	528	[illegible]	[illegible]	[illegible]	[illegible]
IntegTc n	482	[illegible]	[illegible]	[illegible]	[illegible]
IntCPvt	282	[illegible]	[illegible]	[illegible]	[illegible]
InterDig	1313	[illegible]	[illegible]	[illegible]	[illegible]
IntFlat	617	[illegible]	[illegible]	[illegible]	[illegible]
IntMagn	382	[illegible]	[illegible]	[illegible]	[illegible]
Intrsystm	152	[illegible]	[illegible]	[illegible]	[illegible]
IonLaser	318	[illegible]	[illegible]	[illegible]	[illegible]
IvaxCp	6124	[illegible]	[illegible]	[illegible]	[illegible]
JTS Corp	1923	[illegible]	[illegible]	[illegible]	[illegible]
JanBell	103	[illegible]	[illegible]	[illegible]	[illegible]
KV Ph A	357	[illegible]	[illegible]	[illegible]	[illegible]
Keane s	914	[illegible]	[illegible]	[illegible]	[illegible]
KeyEng	2715	[illegible]	[illegible]	[illegible]	[illegible]
KoprEq	255	[illegible]	[illegible]	[illegible]	[illegible]
LXR Biot	688	[illegible]	[illegible]	[illegible]	[illegible]
LaBarg	244	[illegible]	[illegible]	[illegible]	[illegible]
Lilvern	357	[illegible]	[illegible]	[illegible]	[illegible]
Riviera	98	[illegible]	[illegible]	[illegible]	[illegible]
RoyalO g	1836	[illegible]	[illegible]	[illegible]	[illegible]
SC Bcp	420	[illegible]	[illegible]	[illegible]	[illegible]
SaboPet s	6827	16	14	16	[illegible]
SBYen wt98	80	[illegible]	[illegible]	[illegible]	[illegible]
Selfcare n	154	[illegible]	[illegible]	[illegible]	[illegible]
SentryT n	446	[illegible]	[illegible]	[illegible]	[illegible]
ShelCo s	254	[illegible]	[illegible]	[illegible]	[illegible]
SpalTech	271	[illegible]	[illegible]	[illegible]	[illegible]
SilverFds	102	[illegible]	[illegible]	[illegible]	[illegible]
StanSup	185	[illegible]	[illegible]	[illegible]	[illegible]
SunBio	120	[illegible]	[illegible]	[illegible]	[illegible]
ecSoligen	1595	[illegible]	[illegible]	[illegible]	[illegible]
SCEd pfD	732	[illegible]	[illegible]	[illegible]	[illegible]
SPDR	11698	[illegible]	[illegible]	[illegible]	[illegible]
SP Mid	921	[illegible]	[illegible]	[illegible]	[illegible]
SterlnA	934	[illegible]	[illegible]	[illegible]	[illegible]
SubstAbus	104	[illegible]	[illegible]	[illegible]	[illegible]
Solcus	218	[illegible]	[illegible]	[illegible]	[illegible]
TelDta	734	[illegible]	[illegible]	[illegible]	[illegible]
TexoKF	171	[illegible]	[illegible]	[illegible]	[illegible]
TexBiotch	597	[illegible]	[illegible]	[illegible]	[illegible]
TexBi wt	323	[illegible]	[illegible]	[illegible]	[illegible]
ThrmDet n	83	[illegible]	[illegible]	[illegible]	[illegible]
Thermed	629	[illegible]	[illegible]	[illegible]	[illegible]
ThCardio	512	[illegible]	[illegible]	[illegible]	[illegible]
TmEco s	125	[illegible]	[illegible]	[illegible]	[illegible]
ThmFib s	291	[illegible]	[illegible]	[illegible]	[illegible]
Thrmsf	576	[illegible]	[illegible]	[illegible]	[illegible]
ThrSpect	121	13	13	13	—
ThrVolt s	220	[illegible]	[illegible]	[illegible]	[illegible]
Thrmobe	806	[illegible]	[illegible]	[illegible]	[illegible]
Thmois un	302	[illegible]	[illegible]	[illegible]	[illegible]
Thmotx	157	[illegible]	[illegible]	[illegible]	[illegible]
Tofutti	96	[illegible]	[illegible]	[illegible]	—
TasSco	488	[illegible]	[illegible]	[illegible]	[illegible]
TotlPet	645	[illegible]	[illegible]	[illegible]	[illegible]
TWA	2788	[illegible]	[illegible]	7	[illegible]
TrnsMed n	184	[illegible]	[illegible]	[illegible]	[illegible]
Thtech	129	6	[illegible]	6	[illegible]
TurnMex	8083	[illegible]	[illegible]	[illegible]	[illegible]
UTI Eng	511	[illegible]	[illegible]	[illegible]	[illegible]
Unilab	1576	[illegible]	[illegible]	[illegible]	[illegible]
Unimar	1349	[illegible]	[illegible]	[illegible]	[illegible]
UnigMkt	527	[illegible]	[illegible]	[illegible]	[illegible]
US Bio wt	138	[illegible]	[illegible]	[illegible]	[illegible]
USBiosci	2252	[illegible]	[illegible]	[illegible]	[illegible]
US Cell	181	[illegible]	[illegible]	[illegible]	[illegible]
VKSelf	147	11	[illegible]	11	[illegible]
Viacom	1445	[illegible]	[illegible]	[illegible]	[illegible]
ViacB	4995	[illegible]	[illegible]	[illegible]	[illegible]
VisioG g	1382	[illegible]	[illegible]	[illegible]	[illegible]
Visual	745	[illegible]	[illegible]	[illegible]	[illegible]
VoyMNO	103	12	[illegible]	[illegible]	[illegible]
WRIT	737	[illegible]	[illegible]	[illegible]	[illegible]
Wellco s	93	12	[illegible]	12	-1
WhRET	866	[illegible]	[illegible]	[illegible]	[illegible]
WirelsT s	628	[illegible]	[illegible]	[illegible]	[illegible]
WEBAustr	99	[illegible]	[illegible]	[illegible]	[illegible]
WEB Frn	103	[illegible]	[illegible]	[illegible]	[illegible]
WEB Ger	286	[illegible]	[illegible]	[illegible]	[illegible]
WEB HK	221	[illegible]	15	[illegible]	[illegible]
WEB Ita	281	[illegible]	[illegible]	[illegible]	[illegible]
WEB Jpn	1728	[illegible]	[illegible]	[illegible]	[illegible]
WEB Mal	318	[illegible]	[illegible]	[illegible]	[illegible]
WEB Mex	186	[illegible]	[illegible]	[illegible]	[illegible]
WEB Spn	371	[illegible]	20	[illegible]	[illegible]
WEB Swe	122	[illegible]	14	[illegible]	[illegible]
WEB UK	225	[illegible]	[illegible]	[illegible]	[illegible]
XCL Ltd	1920	[illegible]	[illegible]	[illegible]	[illegible]
Xytron	89	[illegible]	[illegible]	[illegible]	[illegible]
Broadwy s	106	[illegible]	[illegible]	[illegible]	[illegible]
BellDig n	96	[illegible]	[illegible]	[illegible]	[illegible]
Cablvsn	948	[illegible]	[illegible]	[illegible]	[illegible]
Cabletel g	154	[illegible]	[illegible]	[illegible]	[illegible]
Calton	435	[illegible]	[illegible]	[illegible]	[illegible]
Cambex s	641	[illegible]	[illegible]	[illegible]	[illegible]
CdnOc g s	138	[illegible]	[illegible]	[illegible]	[illegible]
CanyonRs	1366	[illegible]	[illegible]	[illegible]	[illegible]
Carenetx n	290	[illegible]	[illegible]	[illegible]	[illegible]
CastlAM s	187	[illegible]	[illegible]	[illegible]	[illegible]
CFCda g	544	[illegible]	[illegible]	[illegible]	[illegible]
ChadThr	138	[illegible]	[illegible]	7	[illegible]
CharlsFS s	157	[illegible]	[illegible]	[illegible]	[illegible]
ChesrCo	181	8	[illegible]	8	[illegible]
ComsTD	138	[illegible]	[illegible]	[illegible]	[illegible]
Cognitrn	217	[illegible]	[illegible]	[illegible]	[illegible]
Col.b	2887	16	[illegible]	[illegible]	[illegible]
Comforce	101	[illegible]	[illegible]	[illegible]	[illegible]
CmdAst	218	[illegible]	[illegible]	[illegible]	—
CmdrAp n	95	[illegible]	[illegible]	[illegible]	[illegible]
CmfyCop n	148	[illegible]	12	[illegible]	[illegible]
CmpMan	852	[illegible]	13	13	—
Complek	124	[illegible]	[illegible]	[illegible]	[illegible]
ConsHiGr	92	[illegible]	[illegible]	[illegible]	[illegible]
ConstE	95	[illegible]	[illegible]	[illegible]	—
ConsCor n	686	[illegible]	[illegible]	[illegible]	[illegible]
Cross	319	[illegible]	10	[illegible]	[illegible]
ecCrsml	975	1	[illegible]	[illegible]	[illegible]
Cycomm	689	[illegible]	[illegible]	[illegible]	[illegible]
DI Ind	1074	[illegible]	[illegible]	[illegible]	—
DailyA	221	[illegible]	5	5	[illegible]
DenHd	228	7	[illegible]	7	[illegible]
Datamet	287	[illegible]	[illegible]	[illegible]	[illegible]
Daxor	137	[illegible]	[illegible]	[illegible]	[illegible]
DesAmer	145	[illegible]	[illegible]	[illegible]	[illegible]
DevnE	1393	[illegible]	36	[illegible]	[illegible]
DiagRet	272	[illegible]	10	[illegible]	[illegible]
DigPwr n	187	[illegible]	[illegible]	[illegible]	[illegible]
Diodes	115	[illegible]	[illegible]	[illegible]	—
Drewlnd s	165	[illegible]	17	[illegible]	[illegible]
DryCal	98	[illegible]	[illegible]	[illegible]	[illegible]
DryWa	109	[illegible]	[illegible]	[illegible]	[illegible]
EZ Serv	110	[illegible]	[illegible]	[illegible]	—
EchoBay	7978	[illegible]	[illegible]	[illegible]	[illegible]
Edsto	288	[illegible]	[illegible]	[illegible]	—
EdElx	86	[illegible]	[illegible]	[illegible]	[illegible]
ElPasoE	698	[illegible]	[illegible]	[illegible]	[illegible]
Emeritus	106	[illegible]	[illegible]	[illegible]	[illegible]
EmerR	591	[illegible]	[illegible]	[illegible]	[illegible]
EngCor	619	[illegible]	[illegible]	[illegible]	[illegible]
EnzoBi	323	15	[illegible]	15	—
Equisure n	781	13	[illegible]	[illegible]	[illegible]
Equusll	180	[illegible]	[illegible]	[illegible]	[illegible]
FPA	393	[illegible]	[illegible]	[illegible]	—
FemTel s	132	[illegible]	[illegible]	[illegible]	—
FemT wtB	80	[illegible]	[illegible]	[illegible]	[illegible]
FedHlth	791	[illegible]	[illegible]	2	[illegible]
Fibrbd	1962	[illegible]	[illegible]	[illegible]	[illegible]
FlAust	464	[illegible]	[illegible]	[illegible]	—
FAusPr	4300	[illegible]	[illegible]	[illegible]	—
FICaid	81	[illegible]	[illegible]	[illegible]	[illegible]
Flanign	110	[illegible]	4	[illegible]	[illegible]
FtRck	90	[illegible]	33	[illegible]	[illegible]
ForstLb	3177	[illegible]	[illegible]	[illegible]	[illegible]
LMegAd	225	[illegible]	[illegible]	[illegible]	[illegible]
MSR	98	[illegible]	[illegible]	[illegible]	[illegible]
MagnHunt	194	[illegible]	[illegible]	[illegible]	[illegible]
MaltaRl	297	[illegible]	[illegible]	[illegible]	[illegible]
MaxtrPh n	98	[illegible]	[illegible]	[illegible]	[illegible]
MedcR	736	[illegible]	[illegible]	[illegible]	—
Media	287	30	[illegible]	[illegible]	[illegible]
MedioLog	274	[illegible]	[illegible]	[illegible]	[illegible]
MercAir s	101	[illegible]	6	6	[illegible]
Metromdia	1677	[illegible]	[illegible]	[illegible]	[illegible]
MidcstE n	84	[illegible]	[illegible]	[illegible]	[illegible]
MlrwLnd	723	[illegible]	[illegible]	[illegible]	—
MoogA	189	[illegible]	[illegible]	[illegible]	[illegible]
MS TMX	91	[illegible]	[illegible]	44	[illegible]
MSNik 97wi	479	[illegible]	[illegible]	[illegible]	[illegible]
Mustin	87	[illegible]	[illegible]	[illegible]	—
Murrnd	783	[illegible]	9	[illegible]	—
MyersInd	200	[illegible]	[illegible]	[illegible]	[illegible]
NTNCom	813	[illegible]	[illegible]	[illegible]	—
Nabors	5581	[illegible]	[illegible]	[illegible]	[illegible]
NlPoint	312	[illegible]	[illegible]	[illegible]	[illegible]
Neoofm s	223	5	[illegible]	5	[illegible]
Netwd n	180	[illegible]	[illegible]	[illegible]	[illegible]
NY Times	2292	[illegible]	[illegible]	[illegible]	[illegible]
NewtlOO n	184	15	[illegible]	[illegible]	[illegible]
NA Vacc	228	21	[illegible]	[illegible]	—
NStor n	733	[illegible]	[illegible]	[illegible]	[illegible]
Numac	140	[illegible]	[illegible]	[illegible]	[illegible]
NCAPI	188	[illegible]	[illegible]	[illegible]	[illegible]
NGAPI	95	[illegible]	[illegible]	[illegible]	[illegible]
OmniMult	542	[illegible]	[illegible]	[illegible]	—
Oncor	563	[illegible]	[illegible]	[illegible]	[illegible]
Oncormd	128	[illegible]	5	[illegible]	[illegible]
Organgn s	615	[illegible]	[illegible]	[illegible]	[illegible]
PC Quote	133	[illegible]	[illegible]	[illegible]	—
PGE Cap pf	487	[illegible]	[illegible]	[illegible]	[illegible]
PLC Sys	787	[illegible]	[illegible]	[illegible]	[illegible]
PLM	344	[illegible]	[illegible]	[illegible]	[illegible]
PMC	91	[illegible]	[illegible]	[illegible]	[illegible]
PMC CT	142	[illegible]	[illegible]	[illegible]	[illegible]
PGE pfA	92	[illegible]	[illegible]	[illegible]	[illegible]
PGE pfD	186	[illegible]	25	[illegible]	[illegible]
PacRE n	108	[illegible]	[illegible]	[illegible]	[illegible]
PanAmC n	171	8	[illegible]	[illegible]	[illegible]
Parsec	3006	11	[illegible]	[illegible]	[illegible]
PegGld	409	[illegible]	[illegible]	[illegible]	[illegible]
Pennlc	310	[illegible]	[illegible]	[illegible]	[illegible]
PhsNet	240	[illegible]	[illegible]	[illegible]	[illegible]
Pharmtrl	178	[illegible]	[illegible]	[illegible]	[illegible]
PhRsc	659	[illegible]	[illegible]	[illegible]	[illegible]
Polymd	150	[illegible]	[illegible]	[illegible]	—
PrpdL g	1914	[illegible]	[illegible]	[illegible]	[illegible]
PrtCp	105	[illegible]	[illegible]	[illegible]	[illegible]
Pncnt s	109	[illegible]	[illegible]	[illegible]	[illegible]
ProAcs n	100	[illegible]	[illegible]	[illegible]	[illegible]
PrsvrTr	117	[illegible]	[illegible]	[illegible]	—
PurnHt n	146	[illegible]	[illegible]	[illegible]	—
RF Pwr	298	[illegible]	[illegible]	[illegible]	[illegible]
RamcoE n	156	[illegible]	[illegible]	[illegible]	[illegible]
ecRobotc	320	[illegible]	[illegible]	[illegible]	[illegible]
RoyGold	105	1	[illegible]	1	—
RLJones	146	[illegible]	[illegible]	[illegible]	[illegible]
Rmac	335	[illegible]	[illegible]	[illegible]	[illegible]
ReguBel	347	[illegible]	[illegible]	[illegible]	[illegible]
Ryer	195	41	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	3:30	Chg.
Indus	7295.22	7315.83	7241.45	7276.27	-16.48
Trans	2635.11	2638.19	2618.16	2624.63	-10.17
Util	223.88	224.54	220.94	221.89	-2.45
Comp	2268.00	2270.39	2250.48	2259.31	-9.06

Standard & Poors

	Previous High	Previous Low	Previous Close	Today 4 P.M.
Industrials	986.44	969.97	985.56	981.11
Transp.	605.06	594.41	603.94	605.27
Utilities	194.69	193.49	194.35	192.74
Finance	94.92	93.31	94.77	93.81
SP 500	838.56	824.78	837.66	833.13
SP 100	824.35	808.50	823.55	818.91

NYSE

	High	Low	Last	Chg.
Composite	435.90	432.18	433.97	-1.60
Industrials	552.95	548.23	550.87	-1.27
Transp.	397.23	394.72	395.79	-0.05
Utility	269.10	266.19	267.04	-2.06
Finance	395.64	391.96	392.86	-2.73

Nasdaq

	High	Low	Last	Chg.
Composite	1345.99	1332.10	1333.59	-10.60
Industrials	1077.59	1069.81	1070.41	-5.64
Banks	1432.83	1429.29	1431.77	+0.60
Insurance	1493.58	1479.74	1485.23	+0.25
Finance	1759.87	1752.79	1758.16	+3.92
Transp.	898.49	893.75	893.92	-3.50

AMEX

High	Low	Last	Chg.
579.97	578.47	579.60	+1.13

Dow Jones Bond

	Close	Chg.
20 Bonds	102.17	+0.12
10 Utilities	98.96	+0.07
10 Industrials	105.37	+0.17

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
Digital	71155	36⅛	33¾	35⅜	+2¼
GenElec s	70652	61½	60	60⅞	+1
WalMart	70599	30⅛	29	30	+1¼
Micron T	68706	36	34⅛	34¼	-2¼
IBM	54589	177⅛	173⅛	173⅜	+⅛
PhilMor s	45630	42⅜	41⅞	42⅛	[illegible]
WstgEl	43464	16½	16	16½	+⅛
PepsiCo	41502	37⅛	36⅜	36⅞	+⅜
Motorola	37375	64⅞	62⅝	62⅞	-1⅜
HewlPk s	37004	57	54⅞	56⅜	[illegible]
Chrysler s	35650	32	31⅛	31¾	[illegible]
Compaq	35589	[illegible]	[illegible]	[illegible]	[illegible]
OwensIll	32702	29⅞	28⅞	28⅞	[illegible]
AT&T s	32220	33	32	32⅛	[illegible]
Merck	36263	93⅞	91½	92¾	[illegible]

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel	191569	158⅛	151	152⅞	-6⅛
Cisco	130061	64	62⅜	62⅞	[illegible]
Oracle	102124	45¼	44⅜	44⅞	[illegible]
Gandlf g	100496	2¾	1	2⅛	[illegible]
Volvo rf	100078	[illegible]	[illegible]	[illegible]	[illegible]
Andrew s	88116	26½	23⅜	23⅝	-5¾
MicronE	77655	24¼	18⅛	18½	-5½
ApldMat	68357	62¼	60	60⅛	[illegible]
Microsft s	61850	119¾	116¾	117¼	[illegible]
XavrCp n	61392	[illegible]	[illegible]	[illegible]	[illegible]
SunMic s	56102	31¼	30¾	30⅞	[illegible]
3Com	52648	37⅞	36⅜	36⅜	[illegible]
Ascend	52555	49	46½	46⅞	[illegible]
WorldCm s	50731	26⅛	25⅛	26	[illegible]
CitrxS	49032	36½	33⅞	34⅞	[illegible]

AMEX

	Vol.	High	Low	Last	Chg.
Hasbro s	11989	25½	24⅜	25⅞	[illegible]
SPDR	11698	84⅞	83⅛	83⅞	[illegible]
EchoBay	7978	6⅛	5⅞	5⅞	[illegible]
SaboPet s	6827	16	14	16	[illegible]
IvaxCp	6124	10⅛	9⅜	9⅞	[illegible]
Nabors	5501	21⅞	21⅛	21⅛	[illegible]
ViacB	4995	28⅜	28⅛	28⅜	[illegible]
FAusPr	4300	9⅝	9⅛	9⅜	—
Amdhl	3325	8⅞	8⅛	8⅝	[illegible]
GST Tele	2289	8⅛	6⅞	8	+1⅛

Trading Activity

NYSE

	Close	Prev.
Advanced	1164	1801
Declined	1336	758
Unchanged	872	802
Total issues	3372	3361
New Highs	143	162
New Lows	14	12

Nasdaq

	Noon	Prev.
Advanced	1598	2194
Declined	1629	1789
Unchanged	2274	1745
Total issues	5501	5728
New Highs	69	128
New Lows	87	61

AMEX

	Close	Prev.
Advanced	279	326
Declined	282	230
Unchanged	179	175
Total issues	740	731
New Highs	32	37
New Lows	7	4

Market Sales

	Today 4 PM	Prev. cons.
NYSE	495.01	558.58
Amex	17.20	23.65
Nasdaq	558.03	529.71

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
ROC Taiwan Fd	-	1.20	6-2	6-20
STOCK SPLIT				
Community Inv 3 for 2 split.				
Quantum Corp 2 for 1 split.				
Taiwan Semiconduct 3 for 2 split.				
INCREASED				
Paulin.H g	S	.13	6-2	6-17
YEAREND				
Intl Speedway	-	.06	5-30	6-30
INITIAL				
Kilroy Realty	-	.2583	5-22	5-30
Pepsi Gmx SA	-	.1341	5-16	—
REGULAR				
Arbor Property	Q	.175	3-31	5-15
Arnold Ind	Q	.11	5-21	6-4
Banco Ind Colomb	b	.0783	5-23	6-12
Brady.WH A	Q	.13	7-11	7-31
Bull Bear Gib Inco	M	.05	5-16	5-30
Columbus McKin	Q	.07	6-19	7-3
DuffPhelp Credit	Q	.03	5-23	6-5
Equity Inco AT&T	M	.233	5-15	6-1
Fstbank Illinois	Q	.27	6-13	7-1
Gainsco Inc	Q	.015	6-20	7-15
GreenPoint Fin	Q	.25	5-23	6-6
Indep Square	M	.115	5-21	5-30
John Nuveen	Q	.21	6-2	6-16
Kerr McGee	Q	.45	6-6	7-1
LabOne Inc	Q	.18	5-27	6-3
Merrimac Ind	Q	.10	6-6	6-20
PartnerRe Ltd	Q	.18	5-23	6-2
Prospect St Hi In	M	.035	5-23	5-30
Provident Cos	Q	.18	5-28	6-10
Sthn Afab Bncp	Q	.10	6-16	7-1
Transocean Off sh	Q	.06	5-30	6-13
Vintage Petrol	Q	.03	6-12	7-3
Wheelbrator Tech	A	.12	6-18	7-3

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

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INTERNATIONAL FUTURES

May 13, 1997

Grains

	High	Low	Latest	Chge	Opint
CORN (CBOT) 5,000 bu minimum- cents per bushel					
May 97	289¾	285¼	289¼	+1	7,397
Jul 97	284¼	280¼	284½	+1½	127,849
Sep 97	269¼	265¼	268¾	+½	27,015
Dec 97	267¼	263½	266¾	-½	109,063
Mar 98	273	269¼	272½	-½	11,670
May 98	276½	274	276½	-½	1,163
Jul 98	280½	277¼	280½	-½	2,640
Est. sales N.A. Mon's. sales 48,120					
Mon's open int 289,886 off 71					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
May 97	304.00	298.10	303.90	+5.90	6,883
Jul 97	291.00	284.70	290.70	+4.90	52,489
Aug 97	275.70	271.50	275.70	+3.20	16,364
Sep 97	256.30	254.00	256.10	+1.80	9,457
Oct 97	236.30	232.80	236.30	+2.50	9,418
Dec 97	228.30	224.50	228.10	+4.10	18,827
Est. sales N.A. Mon's. sales 34,764					
Mon's open int 116,684 off 2707					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
May 97	24.10	23.95	24.00	-0.08	829
Jul 97	24.38	24.15	24.24	-0.03	49,173
Aug 97	24.57	24.33	24.42		13,924
Sep 97	24.67	24.48	24.56	+0.01	8,329
Oct 97	24.75	24.58	24.62	-0.03	8,195
Dec 97	25.00	24.80	24.89	+0.07	18,655
Est. sales N.A. Mon's. sales 17,423					
Mon's open int 99,976 off 147					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
May 97	880½	867	880¼	+5¾	3,006
Jul 97	875	860	874½	+6	102,538
Aug 97	845	834	844½	+1¾	19,969
Sep 97	755	747	755	+2¾	9,156
Nov 97	710	702½	709¾	+5¼	48,286
Est. sales N.A. Mon's. sales 60,000					
Mon's open int 1 off 189121					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
May 97	390	385	388	-5	243
Jul 97	398	390¼	395½	-3½	55,726
Sep 97	404	398	401¼	-3¼	13,225
Dec 97	416	409	413¼	-3½	16,454
Est. sales N.A. Mon's. sales 25,096					
Mon's open int 87,080 up 397					

Livestock

	High	Low	Latest	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Jun 97	66.20	65.70	65.72	-0.32	33,804
Aug 97	66.30	65.82	65.92	-0.37	32,423
Oct 97	69.42	69.05	69.22	-0.12	16,478
Dec 97	71.10	70.80	70.85	-0.12	9,400
Feb 98	71.37	71.05	71.10	-0.07	5,011
Apr 98	73.00	72.75	72.90	-0.15	1,536
Est. sales 12,901 Mon's. sales 18,282					
Mon's open int 98,652 up 786					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
May 97	76.55	76.02	76.30	-0.25	3,519
Aug 97	78.20	77.10	77.50	-0.45	10,345
Sep 97	77.65	76.70	77.15	-0.35	1,920
Oct 97	77.87	76.80	77.42	-0.25	3,035
Nov 97	79.30	78.45	78.60	-0.35	1,666
Jan 98	79.85	79.45	79.45	-0.25	374
Est. sales 2,477 Mon's. sales 4,429					
Mon's open int 20,973 up 215					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Jun 97	84.75	84.00	84.05	-0.62	16,379
Jul 97	85.67	84.50	84.60	-1.05	8,490
Aug 97	83.15	81.70	81.85	-1.22	7,504
Oct 97	75.75	74.80	75.07	-0.70	5,471
Dec 97	72.95	72.30	72.45	-0.52	3,519
Est. sales 9,459 Mon's. sales 8,591					
Mon's open int 43,679 up 409					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
May 97	87.75	85.90	85.95	-1.45	417
Jul 97	89.00	86.80	86.95	-1.47	6,851
Aug 97	88.80	86.17	86.22	-1.65	1,715
Est. sales 3,217 Mon's. sales 2,512					
Mon's open int 9,334 off 10					

Food

	High	Low	Latest	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
May 97	1410	1390	1390	-29	42
Jul 97	1422	1404	1409	-20	31,728
Sep 97	1448	1434	1439	-18	13,223
Dec 97	1478	1465	1470	-15	18,002
Mar 98	1501	1490	1494	-20	20,499
May 98	1517	1511	1514	-20	8,619
Est. sales 5,425 Mon's. sales 3,199					
Mon's open int 94,255 up 465					
COFFEE C (NCSE) 37,500 lbs.- cents per lb					
May 97	261.00	247.00	261.00	-15.35	394
Jul 97	243.00	231.55	241.15	-11.50	15,871
Sep 97	216.00	207.50	215.20	-10.75	6,857
Dec 97	189.90	181.50	189.90	-10.15	4,681
Mar 98	174.15	168.25	174.15	-7.65	1,966
Est. sales 11,300 Mon's. sales 10,989					
Mon's open int 30,228 up 815					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb					
Jul 97	11.14	11.01	11.11	-0.07	75,777
Oct 97	10.92	10.83	10.90	-0.03	40,643
Mar 98	10.80	10.71	10.80	-0.06	23,721
May 98	10.73	10.67	10.73	-0.06	5,766
Est. sales 18,996 Mon's. sales 24,566					
Mon's open int 148,914 up 1684					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jul 97	81.30	78.00	78.40	-3.80	17,735
Sep 97	83.00	80.50	80.85	-2.15	6,490
Nov 97	85.50	83.15	83.15	-2.60	3,156
Jan 98	88.00	85.50	85.50	-3.00	1,485
Est. sales N.A. Mon's. sales 7,580					
Mon's open int 30,102 off 168					

Metals

	High	Low	Latest	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
May 97			349.50	+1.80	1
Jun 97	350.90	348.00	350.50	+1.80	68,975
Jul 97			351.90	+1.80	
Aug 97	353.90	350.90	353.30	+1.80	19,368
Oct 97	356.10	354.20	356.10	+1.90	6,706
Dec 97	358.90	356.50	358.90	+1.90	21,680
Feb 98	361.80	361.70	361.70	+1.90	4,691
Apr 98			364.30	+1.90	3,096
Jun 98			367.10	+1.90	6,631
Est. sales N.A. Mon's. sales 42,898					
Mon's open int 161,442 off 1916					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
May 97	114.30	112.30	113.20	-0.60	2,749
Jun 97	114.00	112.20	113.30	-0.20	2,977
Jul 97	114.00	112.10	113.10		27,614
Aug 97	117.20	110.60	111.00	+0.30	1,474
Sep 97	109.90	108.75	109.50	+0.25	5,514
Oct 97	108.10	107.50	108.10	+0.20	1,015
Nov 97			106.50	-0.10	1,159
Dec 97	106.20	104.90	105.30	-0.05	6,453
Jan 98			103.60	-0.05	501
Est. sales N.A. Mon's. sales 7,931					
Mon's open int 53,961 up 1165					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
May 97	484.10	478.50	484.10	+4.30	180
Jun 97			485.50	+4.30	5
Jul 97	490.50	482.00	487.80	+4.30	56,483
Sep 97	494.50	487.50	492.70	+4.30	5,503
Dec 97	500.10	496.00	500.10	+4.30	7,278
Jan 98			502.50	+4.40	17
Mar 98	508.00	496.00	508.00	+4.50	7,334
May 98			513.10	+4.50	2,710
Est. sales N.A. Mon's. sales 12,238					
Mon's open int 85,122 up 51					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jul 97	394.50	387.00	391.90	+0.80	14,268
Oct 97	396.00	389.00	393.10	+1.00	3,463
Jan 98	395.30	390.80	395.30	+1.00	1,163
Est. sales N.A. Mon's. sales 6,313					
Mon's open int 17,790 up 678					

LONDON METALS (LME) Dollars per metric ton	Close		Previous	
Aluminum (High Grade)				
Spot	1640½	1641½	1651½	1652½
Forward	1667.00	1668.00	1675.00	1676.00
Copper Cathodes (High Grade)				
Spot	2478.00	2480.00	2478½	2480½
Forward	2419.00	2420.00	2414.00	2415.00
Lead				
Spot	613½	614½	615.00	616.00
Forward	625.00	626.00	625.00	626.00
Nickel				
Spot	7660.00	7670.00	7755.00	7765.00
Forward	7765.00	7770.00	7860.00	7870.00
Tin				
Spot	5670.00	5680.00	5825.00	5835.00
Forward	5720.00	5725.00	5870.00	5880.00
Zinc (Special High Grade)				
Spot	1316.00	1317.00	1314.00	1315.00
Forward	1335½	1336.00	1333.00	1334.00

Financial

	High	Low	Close	Chge	Opint
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Jun 97	94.76	94.72	94.72	-0.03	6,206
Sep 97	94.55	94.49	94.49	-0.04	4,373
Dec 97			94.48		847
Est. sales N.A. Mon's. sales 1,362					
Mon's open int 10,579 up 342					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Jun 97	105-44	105-18	105-21	-18	219,098
Sep 97	105-25	105-06	105-06	-20	8,345
Dec 97	105-10	105-06	105-06	-05	20
Est. sales N.A. Mon's. sales 23,882					
Mon's open int 227,363 off 451					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Jun 97	107-22	107-02	107-04	-13	304,970
Sep 97	107-06	106-21	106-22	-13	38,247
Dec 97	106-11	106-11	106-11	-12	1,933
Est. sales N.A. Mon's. sales 46,860					
Mon's open int 345,150 up 1934					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Jun 97	110-22	109-24	109-26	-18	495,460
Sep 97	110-09	109-12	109-14	-18	65,327
Dec 97	109-07	109-07	109-07	-13	10,326
Mar 98			109-10		2,056
Est. sales N.A. Mon's. sales 219,081					
Mon's open int 574,597 off 4286					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
May 97	94.31	94.28	94.29	-0.01	24,395
Jun 97	94.26	94.16	94.21	-0.04	11,622
Jul 97	94.20	94.14	94.14	-0.05	4,188
Est. sales N.A. Mon's. sales 3,531					
Mon's open int 46,803 off 521					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Jun97	114-23	114-05	114-07	-0-07	229,943
Sep97	114-29	114-17	114-17	-0-07	6,983
Est. sales: 106,433 Prev. sales: 74,742					
Prev. open int.: 236,976 up 5,874					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Jun97	102.36	102.09	102.12	-0.15	276,566
Sep97	101.36	101.14	101.14	-0.15	26,410
Est. sales: 154,058. Prev. sales: 156,580					
Prev. open int.: 302,976 up 12,036					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Jun 97	130.56	130.20	130.38	+0.08	160,503
Sep 97	128.84	128.66	128.82	+0.08	11,682
Dec 97	98.14	98.14	98.24	+0.08	0
Est. volume: 147,457. Open int.: 172,185 up 9,248.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Jun97	129.93	129.53	129.56	-0.16	116,902
Sep97	130.15	129.95	129.95	-0.06	6,941
Est. sales: 54,698. Prev. sales: 56,937					
Prev. open int.: 123,843 up 3,032					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
May 97	94.18	94.14	94.15	-0.02	41,657
Jun 97	94.14	94.07	94.08	-0.05	473,647
Jul 97	94.06	93.99	94.00	-0.05	7,810
Sep 97	93.96	93.87	93.88	-0.06	433,002
Dec 97	93.77	93.66	93.67	-0.06	324,361
Mar 98	93.67	93.55	93.56	-0.08	240,184
Jun 98	93.56	93.44	93.44	-0.08	227,069
Sep 98	93.46	93.35	93.35	-0.08	165,962
Dec 98	93.36	93.24	93.26	-0.07	125,473
Mar 99	93.34	93.24	93.25	-0.07	96,780
Jun 99	93.29	93.20	93.20	-0.07	79,057
Sep 99	93.24	93.16	93.18	-0.05	63,671
Dec 99	93.17	93.09	93.11	-0.05	59,058
Est. sales N.A. Mon's. sales 290,836					
Mon's open int 2,649,882 off 819					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Jun 97	1.6338	1.6170	1.6330		37,169
Sep 97	1.6310	1.6230	1.6310		1,053
Dec 97			1.6172		110
Est. sales N.A. Mon's. sales 8,335					
Mon's open int 38,332 up 438					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Jun 97	.7237	.7216	.7226		68,554
Sep 97	.7281	.7264	.7270		6,336
Dec 97	.7320	.7309	.7309		1,429
Est. sales N.A. Mon's. sales 3,549					
Mon's open int 77,283 off 1954					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Jun 97	.5925	.5858	.5911		82,353
Sep 97	.5962	.5934	.5952		3,545
Dec 97	.6005	.5986	.6005		467
Est. sales N.A. Mon's. sales 43,057					
Mon's open int 186,487 up 99072					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Jun 97	.8480	.8400	.8479		79,166
Sep 97	.8595	.8510	.8595		2,171
Dec 97	.8695	.8645	.8695		721
Est. sales N.A. Mon's. sales 53,412					
Mon's open int 82,068 off 5724					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Jun 97	.7020	.6968	.6984		45,635
Sep 97	.7082	.7054	.7058		2,391
Dec 97	.7145	.7135	.7135		438
Est. sales N.A. Mon's. sales 31,460					
Mon's open int 48,514 up 941					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Jun 97	.12482	.12455	.12477		17,983
Sep 97	.12030	.12000	.12020		10,231
Dec 97	.11590	.11570	.11577		6,601
Est. sales N.A. Mon's. sales 2,871					
Mon's open int 36,094 up 333					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Jun97	93.51	93.44	93.46	-0.02	115,747
Sep97	93.30	93.19	93.22	-0.05	102,786
Dec97	93.17	93.03	93.07	-0.07	86,292
Mar98	93.07	92.93	92.97	-0.07	59,458
Jun98	92.99	92.87	92.90	-0.06	45,845
Sep98	92.93	92.81	92.85	-0.05	31,260
Dec98	92.90	92.80	92.81	-0.06	25,671
Mar99	92.88	92.78	92.79	-0.06	18,023
Est. sales: 165,178. Prev. sales: 112,127					
Prev. open int.: 514,203 up 3,013					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
May97	96.83	96.82	96.82	Unch.	5,965
Jun97	96.81	96.79	96.80	Unch.	234,614
Jul97	96.79	96.75	96.79	-0.01	1,424
Sep97	96.76	96.75	96.75	-0.01	210,470
Dec97	96.65	96.63	96.63	-0.02	239,744
Mar98	96.54	96.51	96.52	-0.02	192,461
Jun98	96.39	96.35	96.36	-0.02	150,742
Sep98	96.19	96.16	96.17	-0.02	121,708
Dec98	95.95	95.93	95.93	-0.02	78,994
Mar99	95.73	95.70	95.71	-0.01	66,935
Est. sales: 78,573. Prev. sales: 86,107					
Prev. open int.: 1,419,917 up 7,165					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Jun 97	96.53	96.48	96.51	+0.01	57,053
Sep 97	96.58	96.53	96.57	+0.03	60,733
Dec 97	96.55	96.51	96.54	+0.02	37,759
Mar 98	96.50	96.47	96.49	-0.01	28,545
Jun 98	96.40	96.36	96.37	+0.00	23,318
Sep 98	96.23	96.21	96.22	+0.00	21,379
Dec 98	96.02	95.98	96.00	-0.00	14,124
Mar 99	95.79	95.76	95.78	+0.02	12,956
Jun 99	95.55	95.52	95.54	+0.02	6,593
Est. volume: 92,993. Open int.: 275,385 off 8,385.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Jun97	93.26	93.21	93.22	-0.03	107,311
Sep97	93.57	93.51	93.54	-0.02	86,332
Dec97	93.72	93.68	93.69	-0.02	55,573
Mar98	93.79	93.74	93.75	-0.02	33,152
Jun98	93.80	93.74	93.76	-0.01	25,112
Sep98	93.76	93.69	93.71	-0.01	7,817
Dec98	93.66	93.63	93.64	Unch.	1,837
Est. sales: 38,127. Prev. sales: 54,571					
Prev. open int.: 318,682 up 4,062					

Industrials

	High	Low	Latest	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Jul 97	72.75	72.10	72.36	-0.29	39,002
Oct 97	74.00	73.70	73.90	-0.05	3,362
Dec 97	74.75	74.30	74.55	-0.12	24,997
Mar 98	76.05	75.90	75.90	+0.05	3,575
May 98			76.55		913
Est. sales N.A. Mon's. sales 17,627					
Mon's open int 73,836 off 753					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Jun 97	56.80	56.00	56.60	-0.05	30,589
Jul 97	56.80	56.15	56.80	+0.07	30,790
Aug 97	57.10	56.60	57.10	+0.07	16,462
Sep 97	57.50	57.20	57.20	-0.43	9,641
Oct 97	58.30	57.80	58.20	-0.08	8,283
Nov 97	58.80	58.40	58.75	-0.23	7,383
Dec 97	59.55	59.15	59.50	-0.08	13,365
Jan 98	59.70	59.60	59.60	-0.33	8,704
Feb 98	59.40	59.20	59.20	-0.38	3,698
Est. sales N.A. Mon's. sales 38,288					
Mon's open int 138,973 off 958					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Jun 97	21.47	21.12	21.35	-0.03	64,173
Jul 97	21.25	21.09	21.32	+0.06	72,339
Aug 97	21.14	20.97	21.13	+0.05	38,824
Sep 97	20.98	20.82	20.98	+0.02	19,989
Oct 97	20.85	20.75	20.83	-0.02	15,569
Nov 97	20.72	20.65	20.67	-0.10	14,829
Dec 97	20.69	20.58	20.68	-0.02	33,797
Jan 98	20.60	20.53	20.58	-0.07	15,170
Feb 98	20.60	20.51	20.54	-0.06	8,187
Mar 98	20.53	20.40	20.44	-0.10	4,100
Est. sales N.A. Mon's. sales 151,096					
Mon's open int 389,971 off 11882					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jun 97	2.220	2.155	2.180		33,920
Jul 97	2.230	2.171	2.195		28,920
Aug 97	2.230	2.175	2.195		18,999
Sep 97	2.220	2.160	2.180		15,340
Oct 97	2.190	2.175	2.180		17,915
Nov 97	2.285	2.270	2.280		7,888
Dec 97	2.405	2.385	2.400		12,699
Jan 98	2.445	2.420	2.440		11,536
Est. sales N.A. Mon's. sales 31,694					
Mon's open int 209,662 off 2815					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Jun 97	65.20	64.10	64.80	+0.33	43,184
Jul 97	63.80	63.05	63.55	+0.06	25,766
Aug 97	62.50	61.95	62.40	+0.16	9,948
Sep 97	61.00	60.50	60.85	-0.09	3,732
Oct 97			58.89		3,097
Nov 97	57.80	57.80	57.80	-0.30	1,777
Dec 97	57.80	57.80	57.80	+0.10	4,879
Est. sales N.A. Mon's. sales 230,728					
Mon's open int 93,317 up 801					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Jun 97	174.75	172.25	173.25	-0.50	25,465
Jul 97	175.25	173.25	174.00	-0.25	9,259
Aug 97	176.50	174.75	175.75	+0.25	7,595
Sept 97	177.50	176.00	177.00	Unch.	3,192
Oct 97	179.00	179.00	178.75	Unch.	3,806
Nov 97	N.T.	N.T.	180.00	Unch.	1,677
Dec 97	181.50	180.00	180.75	Unch.	1,678
Est. sales: 11,446. Open int.: 62,833 off 5,961					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
June 97	19.78	19.44	19.62	-0.10	25,033
July 97	19.54	19.30	19.46	-0.01	79,948
Aug 97	19.47	19.30	19.40	Unch.	24,803
Sep 97	19.43	19.29	19.36	+0.01	11,199
Oct 97	19.33	19.26	19.35	+0.02	6,686
Nov97	19.32	19.26	19.33	+0.03	5,841
Dec97	19.34	19.21	19.31	+0.05	9,220
Jan98	19.30	19.22	19.27	+0.07	7,267
Est. sales: 50,213. Open int.: 175,443 off 1,177					

Stock Indexes

	High	Low	Latest	Chge	Opint
S&P COMP. INDEX (CMER) 500 x index					
Jun 97	844.90	834.25	837.20	-4.15	186,573
Sep 97	850.90	843.00	845.40	-4.50	8,660
Dec 97	858.70	855.00	858.70	-0.65	3,320
Est. sales N.A. Mon's. sales 70,687					
Mon's open int 199,300 up 3439					
FTSE 100 (LIFFE) £25 per index point					
Jun97	4735.0	4684.0	4706.0	+21.0	71,324
Sep97	4752.0	4721.0	4736.5	+21.5	3,655
Dec97	4785.0	4785.0	4780.0	+21.0	320
Est. sales: 22,192. Prev. sales: 15,109					
Prev. open int.: 75,299 up 2,446					
CAC 40 (MATIF) FF200 per index point					
May 97	2721.0	2687.0	2709.0	+25.00	24,023
Jun 97	2696.0	2664.5	2684.5	+25.00	23,853
Jul 97	2690.0	2662.5	2683.5	+24.50	100
Sep 97	2709.5	2678.0	2673.5	Unch.	10,459
Est. volume: 20,365. Open int.: 68,065 off 1,015.					

Commodity Indexes

	Close	Previous
Moody's	N.A.	1,600.80
Reuters	1,984.00	1,972.60
D.J. Futures	163.22	162.20
CRB	251.15	251.40

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

NYSE

Tuesday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.
The Associated Press.

DID YOU MISS A DAY THIS WEEK?

This past week's front pages are available for viewing on the IHT site on the World Wide Web.

http://www.iht.com

Continued on Page 16

Telekom Profit Rises Despite Fall in Prices

By John Schmid
International Herald Tribune

BONN — Deutsche Telekom AG overcame falling prices to post a strong first-quarter profit and said Tuesday that it expected full-year earnings to more than double.

Speaking at the company's first earnings presentation since the government sold 25 percent of its Telekom stake to private investors in November, Chairman Ron Sommer said 1996 was "a good year" and that "all the data and facts indicate that 1997 will be even more successful."

In the first quarter, pretax profit at Europe's largest telecommunications company rose to 2.2 billion Deutsche marks ($1.3 billion) from 900 million DM a year earlier. Sales rose 8 percent, to 16.3 billion DM.

Telekom's shares, which have hit a succession of highs in the past week, slipped 1.06 DM to close at 40.13.

The stronger-than-expected first-quarter figures offset disappointment over the final 1996 report, also published Tuesday, said Petra Heist, analyst at Bayerische Vereinsbank AG.

That report said net profit rose to 1.8 billion DM last year from 1.3 billion DM in 1995. Telekom adjusted its 1995 figures after it began paying value-added taxes last year. Without the adjustment, 1995 net profit would have been 5.3 billion DM. Sales in 1996 rose to 63.1 billion DM from a tax-adjusted 59.6 billion DM in 1995.

Telekom said it had moved more quickly than planned to cut employment and debt. The high employment and debt levels inherited from the company's days as a government agency rank as the main concerns among investors, Ms. Heist said.

Telekom, which has more employees per telephone line than many of its competitors, cut 12,500 jobs last year and 2,000 in the first quarter of 1997, bringing the work force down 199,000. After repaying 12 billion DM in debt last year, Telekom aims to pay down a similar amount this year.

Aiming at rivals who will be able to enter the German market next year, Mr. Sommer also vowed to fight efforts by newcomers seeking low fees to tap into the monopoly's existing telephone lines.

EU Official Sees Britain Joining EMU

Compiled by Our Staff From Dispatches

VIENNA — The president of the European Monetary Institute, Alexandre Lamfalussy, said Tuesday that the Labour Party's victory had increased Britain's chances of making European monetary union from the start.

Mr. Lamfalussy said that he would be "delighted" to see Britain among the first group of nations to join Economic and Monetary Union.

Asked how he rated Britain's chances of being among the first group of nations to introduce a single European currency, he replied: "It is less unlikely."

Prime Minister Romano Prodi of Italy, meanwhile, threatened to disrupt moves toward a single currency if his country was excluded from the start in January 1999.

(Reuters, Bloomberg)

Cannes: All Business, for Most

By Alan Riding
New York Times Service

CANNES — The 50th edition of the Cannes International Film Festival is the right occasion to look back at the great films, actors and directors of the postwar era — but that is not what actually interests the great majority of movie folk crowding this resort.

"I wish I had more fun, but this is business, you know," said Kiyo Joo, a representative of Gold View Co. of Japan, whose job it is to sell a film called "Sleeping Man" from a stand in the basement of the Palais des Festivals. "I don't even think I will have time to see any movies."

In many ways, the festival resembles an ocean liner: On deck, putting on a show of enjoying themselves, are the stars and directors, accompanied as ever by the journalists, photographers and publicists who keep them in the public's eye. Out of sight, in the engine room, are those who actually keep the global industry moving — 4,500 producers, distributors, buyers and sellers.

From stands in the Palais des Festivals and suites in top hotels, scores of independent and government-owned movie companies from around the world are competing fiercely for that part of the market not yet occupied by Hollywood.

About 80 movies are being shown in the festival's various official programs, and these have the best chance of being picked up by distributors. But at least 500 more are being screened as part of the so-called international film market. Everywhere, the game is to try to sell foreign rights; but it is not always easy.

From China and Russia to Brazil and Argentina, movies are made principally for domestic audiences and have little hope of interesting other markets.

The foreign films with the best chances of traveling to markets outside their home countries are art-house movies, yet the worldwide audience for quality cinema continues to shrink.

The success last year of Anthony Minghella's "English Patient," Mike Leigh's "Secrets and Lies," Ethan Coen's "Fargo" and Lars von Triers's "Breaking the Waves" would suggest the contrary. But these films were made in English, giving them instant entree to the world's biggest market, the United States.

"There is a developing market for English-language art movies," said Ernst Goldschmidt, president of Pandora, a distribution company in Paris.

"But foreign-language films have a tougher time than ever in the United States."

Indeed, amid the noise and glitter of this year's festival, cinema-as-art seems to be part of the "glorious past" that was celebrated at the Palais des Festivals.

"You won't find much culture here," said Keith Samples, chief executive of Rysher Entertainment, an American independent company. "We're here to sell. If you looked at our sales people's calendars, they were full even before we got here."

He had just emerged from one meeting and was about to enter another. He was asked whether he had seen any movies in Cannes? "No," he said. "In fact, in the four years I've been coming to Cannes, I have never seen a movie."

EU to Approve BT's Acquisition of MCI

Compiled by Our Staff From Dispatches

BRUSSELS — The European Commission on Wednesday will approve British Telecommunications PLC's $25 billion plan to buy MCI Communications Corp., EU sources said Tuesday.

The commission had received assurances that the fused company — to be known as Concert — would allow competitors access to its submarine trans-Atlantic cables and that MCI would end its teleconferencing activities in Britain, the sources said.

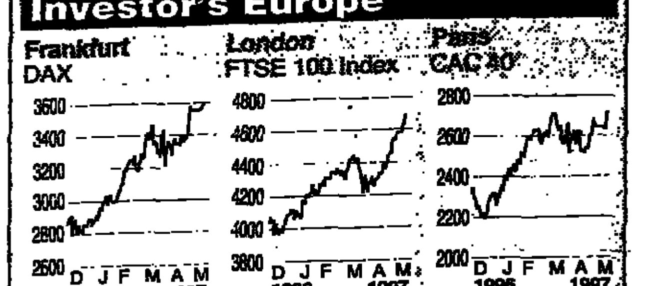
Approval from the EU is only one of the hurdles still to be crossed in BT's plan to buy the 80 percent of MCI it does not already own.

The U.S. Federal Communications Commission and Department of Justice want rules to be introduced to ensure that competitors are not disadvantaged by BT's dominant position. They are not expected to give their decisions until fall.

Like the EU, they are concerned about huge growth in trans-Atlantic Internet and other calls, which has created a shortage of cable capacity.

"There is a shortage of submarine cable capacity on the U.K.-U.S. route," said Diane Cornell, the head of the telecommunication division of the FCC's international bureau; "primarily because Internet traffic has grown so dramatically over the last year or so, as have other broadband services." *(AFP, Bloomberg)*

Investor's Europe



Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	AEX	786.03	788.08	-0.26
Brussels	BEL-20	2,242.94	2,242.37	+0.03
Frankfurt	DAX	3,595.15	3,575.37	+0.55
Copenhagen	Stock Market	564.92	560.89	+0.72
Helsinki	HEX General	3,011.45	2,998.88	+0.42
Oslo	OBX	618.82	618.20	+0.10
London	FTSE 100	4,691.80	4,669.40	+0.48
Madrid	Stock Exchange	548.08	544.31	+0.69
Milan	MIBTEL	12327	12314	+0.11
Paris	CAC 40	2,719.56	2,693.09	+0.98
Stockholm	SX 16	2,926.41	2,932.49	-0.21
Vienna	ATX	1,256.17	1,259.44	-0.26
Zurich	SPI	3,212.87	3,187.49	+0.80

Source: Telekurs. International Herald Tribune

Very briefly:

- **Southern Co.**, a U.S. power company, and **VEBA AG** and **VIAG AG**, two German utilities, are to buy a 50.8 percent stake in Berlin's electric utility, **Bewag AG**, for 2.9 billion Deutsche marks ($1.6 billion), subject to approval by European Union and German antitrust regulators.
- **Novartis AG** bought **Merck & Co.**'s crop-protection business for $910 million.
- **Allied Domecq**, a British distiller and food and drinks retailer, said pretax profit in the six months ended Feb. 28 was unchanged at £317 million ($515 million).
- **Henkel KGaA**, a German chemical manufacturer, said first-quarter pretax profit rose 7 percent, to 196 million DM. Sales rose 20 percent, to 4.71 billion DM.
- **Repsol SA**, Spain's largest oil and gas company, said net profit in the first quarter fell a bigger-than-expected 12.3 percent, to 31.04 billion pesetas ($216 million).
- **Schering AG**, a German drugmaker known for its multiple-sclerosis drug Betaferon, said first-quarter net profit rose 16 percent, to 152 million DM. *AFX, Bloomberg*

WORLD STOCK MARKETS

Tuesday, May 13
Prices in local currencies.
Telekurs

Amsterdam AEX index: 786.03 Previous: 788.08

	High	Low	Close	Prev.
ABN-AMRO	35.20	34.50	34.70	34.55
Aegon	141.70	137.60	138.60	140.30
Ahold	146.40	145	145.50	144.60
Akzo Nobel	260.20	258.50	258.90	259.10
Baan Co.	121.40	117	117.60	114.80
Bols Wess cva	38.20	37	37.30	37.80
CSM cva	111.50	110.10	111.10	112
Dordtsche Pet	380	377.20	379	375
DSM	194.60	193	193	193.70
Elsevier	33.60	33.10	33.30	33
Fortis Amev	77.30	74.50	75.40	77
Getronics	63.70	62.80	63.40	63.40
G-Broc cva	66.70	65.50	65.50	66.20
Hagemeyer	89.40	88	88.50	88.40
Heineken	344.30	339.60	341	341.80
Hoogovens cva	89.90	88.60	88.70	89.20
Hunt Douglas	178	167	168.50	176.50
ING Group	79.40	78.10	78.70	79.20
KLM	60	59	59.50	60
KNP BT	41.60	40.90	41.40	40.70
KPN	70.30	68.60	69	70.40
Nedlloyd Gp	45.50	44.60	44.80	44.80
Nutricia	294.40	292.70	293.20	293.80
Oce Grinten	243	240.70	242.60	241.90
Philips Elec	107.50	106	106.50	106.20
Polygram	97.70	96.30	96.30	97.60
Randstad Hdg	184	181.60	181.60	180.80
Robeco	171.50	170	170	167
Rodamco	60.90	60.40	60.60	60.60
Rolinco	173.30	173	173	170.20
Rorento	110.20	109.80	109.80	109.70
Royal Dutch	366.90	363.10	364.80	361.20
Unilever cva	391.20	383	383.50	387.30
Vendex Intl	99.90	96.50	99	96.30
VNU	41.10	40.30	40.30	40.60
Wolters Kl cva	232	228.60	230.50	229.30

Bangkok SET index: 600.24 Previous: 592.18

	High	Low	Close	Prev.
Adv Info Svc	168	152	164	154
Bangkok Bk F	232	212	228	222
Krung Thai Bk	27.50	25	27.50	25.75
PTT Explor	322	306	322	306
Siam Cement F	640	624	640	624
Siam Com Bk F	146	138	144	137
Telecomasia	32.25	28.75	30.75	31.50
Thai Airways	40	37	38.50	37.25
Thai Farm Bk F	138	129	136	132
Utd Comm	150	136	150	137

Bombay Sensex 30 index: 3781.96 Previous: 3735.25

	High	Low	Close	Prev.
Bajaj Auto	861	830	849.75	846.25
Hindust Lever	1116.50	1051	1069.75	1118
Hindust Petm	425	414.50	415	426
Ind Dev Bk	88.75	87	87.75	87.75
ITC	405	398	399.75	399.50
Mahanagar Tel	291	279	281	287
Reliance Ind	294.25	291.25	293	292.50
State Bk India	305	300.25	301	302.50
Steel Authority	20.50	20	20.25	20.50
Tata Eng Loco	371.75	362.25	369.25	365.50

Brussels BEL-20 index: 2242.94 Previous: 2242.37

	High	Low	Close	Prev.
Almanij	15300	15000	15300	15200
Barco Ind	6500	6350	6490	6330
BBL	8900	8830	8870	8840
CBR	3550	3455	3465	3510
Colruyt	14525	14100	14125	14400
Delhaize Lion	1840	1810	1815	1825
Electrabel	8270	8220	8250	8210
Electrafina	3590	3550	3585	3545
Fortis AG	6490	6380	6380	6470
Gevaert	2870	2805	2810	2850
GBL	5800	5690	5760	5660
Gen Banque	14425	14250	14375	14375
Kredietbank	13600	13450	13450	13475
Petrofina	12950	12775	12925	12800
Powerfin	5090	5050	5090	5060
Royale Belge	9600	9530	9550	9570
Soc Gen Belg	3290	3250	3250	3260
Solvay	21500	21050	21050	21350
Tractebel	15375	15325	15350	15350
UCB	96500	96100	96200	95500

Copenhagen Stock index: 564.92 Previous: 560.89

	High	Low	Close	Prev.
BG Bank	321	305	317	305
Carlsberg B	411	408	408	409
Codan Fors	885	870	885	875
Danisco	400	390	396	391.89
Den Danske Bk	628	602.02	616	615
D/S Svendbrg B	315000	315000	315000	315000
D/S 1912 B	222000	222000	222000	220500
FLS Ind B	1060	1039	1050	1030
Kob Lufthavne	691	685	690	690
Nvo Nordisk B	690	669	690	672
Sophus Ber B	856	829	847	827
Tele Danmk B	335	330	331	330
Tryg Baltica	366	355	360	355
Unidanmark A	355	347.65	354	344

Frankfurt DAX: 3595.15 Previous: 3575.37

	High	Low	Close	Prev.
AMB B	1280	1275	1275	1280
Adidas	183	182	182.50	180.70
Allianz Hdg	356.50	353	355.50	350.80
Altana	1390	1375	1380	1389
Bk Berlin	37.50	37.35	37.48	37.45
BASF	68.08	67.75	67.80	68.02
Bayer Hypo Bk	56.40	55.40	56.30	55.95
Bay.Vereinsbank	73.80	72.80	73.70	72.93
Bayer	66.70	66.10	66.20	66.17
Beiersdorf	87.50	86.90	87	86.80
Bewag	44.10	44	44	44.30
BMW	1475	1451	1468	1455
CKAG Colonia	174	168	174	170
Commerzbank	48.45	47.90	48.15	47.40
Daimler Benz	136.10	135.05	135.50	135.30
Degussa	79	77.40	77.50	78.70
Deutsche Bank	97.45	96.35	97.30	95.10
Deut Telekom	40.50	40.05	40.13	41.19
Dresdner Bank	59.50	59.25	59.30	58.70
Fresenius	370	362	367	362.50
Fresenius Med	151.90	151	151.40	151.80
Fried. Krupp	328	324	325	325
Gehe	118	114.90	117.80	114.90
Heidelbg Zmt	158.80	158	158	158
Henkel pfd	95.50	92.30	95.50	93.70
HEW	495	491	492	495
Hochtief	71	70.50	70.50	70
Hoechst	67.20	66.50	66.90	66.63
Karstadt	548	540	542.50	551
Lahmeyer	75.20	74.70	74.80	74
Linde	1290	1275	1275	1286
Lufthansa	28.25	27.85	28.25	28.03
MAN	521	517	519.75	518.50
Mannesmann	702.50	695	694.50	698.50
Metallgesellschaft	36.75	35.70	36.50	35.50
Metro	166	163	166	164.80
Munch Rueck R	4420	4385	4410	4385
Preussag	443	434	443	435
RWE	75.50	74.10	75.50	74.30
SAP pfd	326.30	323.10	325.50	322
Schering	171.40	169	171.10	169.40
SGL Carbon	239.90	237	237.70	240.20
Siemens	101.70	100.65	101.50	101.45
Springer (Axel)	1585	1550	1550	1580
Suedzucker	915	885	910	875
Thyssen	377	373.50	374	374
Veba	97.60	96.50	97.40	96.20
VEW	520	520	535	520
Viag	785	780	782	784
Volkswagen	1184	1167.50	1167.50	1161.50

Helsinki HEX General index: 3011.45 Previous: 2998.88

	High	Low	Close	Prev.
Enso A	45	44.90	45	44.50
Huhtamaki I	240	236	236	238
Kemira	50.50	49.70	50	50
Kesko	74.30	73.60	74	74.30
Merita A	17.60	17.30	17.40	17.30
Metra B	143.50	142	142.10	142.10
Metso-Serla B	40.40	39.30	40.20	39
Neste	138	137	138	138
Nokia A	336	330.80	332.50	328.50
Orion-Yhtymae	201.50	201	201	202
Outokumpu A	99	98.70	99	99
UPM-Kymmene	122	120	121.50	120.50
Valmet	89	87.50	87.60	88.50

Hong Kong Hang Seng: 13906.46 Previous: 13987.80

	High	Low	Close	Prev.
Amoy Props	8.40	8.25	8.25	8.35
Bk East Asia	28.50	28.20	28.20	28.40
Cathay Pacific	12	11.80	11.95	11.75
Cheung Kong	75.25	74.25	75	74.75
CK Infrastruct	22.40	22.20	22.25	22.25
China Light	36.40	35.80	36.10	36.20
Citic Pacific	45.20	43.80	43.90	44.90
Dao Heng Bk	38.90	38.30	38.70	38.20
First Pacific	9.50	9.30	9.35	9.35
Hang Lung Dev	14.80	14.50	14.50	14.75
Hang Seng Bk	94	92.50	92.50	93.75
Henderson Inv	8.85	8.70	8.85	8.80
Henderson Ld	71	69.75	69.75	70.50
HK China Gas	12.65	12.55	12.60	12.60
HK Electric	27.70	27.50	27.55	27.75
HK Telecomm	15.40	15.10	15.20	15.10
Hopewell Hdgs	4.28	3.98	4.25	4.03
HSBC Hdgs	220	215	217	217
Hutchison Wh	63	61.25	61.50	64
Hysan Dev	23.30	22.75	22.80	23.10
Johnson El Hdg	22.90	21.65	22.80	21.60
Kerry Props	19	18.50	19	18.80
New World Dev	49.10	48.40	48.60	48.70
Oriental Press	2.73	2.50	2.65	2.73
Pearl Oriental	3.20	3.08	3.13	3.08
SHK Props	91.75	90.50	91.25	91
Shun Tak Hdgs	4.90	4.83	4.90	4.90
Sino Land Co.	8.30	8.10	8.20	8.25
Sth China Post	7.05	6.95	7	7.15
Swire Pac A	63	60.50	60.75	62
Wharf Hdgs	31.30	30.50	30.90	30.60
Wheelock	18.10	17.70	18	17.70

Jakarta Composite index: 672.87 Previous: 675.81

	High	Low	Close	Prev.
Astra Intl	6125	6100	6100	6100
Bk Intl Indon	1975	1925	1925	1925
Bk Negara	1550	1500	1525	1550
Gudang Garm	10500	10125	10300	10625
Indocement	3075	3050	3075	3050
Indofood	5050	5000	5050	5000
Indosat	7500	7350	7400	7325
Sampoerna HM	10275	10150	10150	10250
Semen Gresik	5950	5875	5875	5950
Telekomunikasi	3825	3775	3775	3825

Johannesburg All Market: 7193.05 Previous: 7190.30

	High	Low	Close	Prev.
Amalgamtd Bks	29.80	29.50	29.40	29.40
AngloAm Coal	308	308	309	309
AngloAm-Corp	281.75	278.50	281.75	281.75
AngloAm Gold	315	312	312	312
AngloAm Ind	195.50	192.25	192	192
AVMIN	16.70	16.50	16.50	16.50
Barlow	48.90	48.70	48.70	48.70
C.G. Smith	25.65	25	25.65	25.65
De Beers	160	159.50	160	160
Driefontein	41	40	40.50	40.50
Fst Natl Bk	34	32.60	32.75	32.75
Gencor	19.05	18.85	18.85	18.85
GFSA	109.75	109	109	109
Imperial Hdgs	59.50	58.75	59.50	59.50
Ingwe Coal	29.60	29.55	29.50	29.50
Iscor	3.24	3.18	3.22	3.22
Johnnies Indl	59.50	58.25	59.75	59.75
Liberty Hdgs	335	335	334.50	334.50
Liberty Life	125.25	124.75	124.75	124.75
LibLife Strat	17.50	16.75	17	17
Minorco	101.50	100.50	102	102
Nampak	17.90	17.40	17.80	17.80
Nedcor	91.75	90.25	90.75	90.75
Rembrandt Gp	48.50	47	47.50	47.50
Richemont	65.75	65.25	65.50	65.50
Rust Platinum	74.50	73.75	75.50	75.50
SA Breweries	133	129	133.25	133.25
Samancor	48	47.50	48.25	48.25
Sasol	54.75	54	54.75	54.75
SBIC	218	212	212	212
Tiger Oats	76.50	75.75	76.25	76.25

Kuala Lumpur Composite: 1084.55 Previous: 1088.52

	High	Low	Close	Prev.
AMMB Hdgs	17.10	16.50	16.50	17
Genting	14.20	13.60	13.80	14
Mal Banking	25.50	25	25.25	25.25
Mal Intl Ship F	5.95	5.75	5.90	5.70
Petronas Gas	8.60	8.50	8.60	8.60
Proton	13.60	13.20	13.50	13.60
Public Bk	4.50	4.44	4.50	4.44
Renong	3.38	3.32	3.34	3.36
Resorts World	8.90	8.75	8.75	8.75
Rothmans PM	24.60	23.90	23.90	24.10
Sime Darby	8.10	7.95	8.10	8
Telekom Mal	18	17.30	17.50	17.90
Tenaga	11.90	11.60	11.80	11.60
Utd Engineers	18.20	17.60	18.20	17.50
YTL	9.85	9.55	9.75	9.85

London FT-SE 100: 4691.80 Previous: 4669.40

	High	Low	Close	Prev.
Abbey Natl	9.65	9.13	9.60	9.18
Allied Domecq	4.70	4.53	4.62	4.48
Anglian Water	6.99	6.82	6.90	6.80
Argos	6.28	6.17	6.22	6.24
Asda Group	1.22	1.19	1.20	1.20
Assoc Br Foods	5.60	5.54	5.58	5.54
BAA	5.35	5.27	5.27	5.31
Barclays	12.67	12.42	12.51	12.55
Bass	8.19	8.03	8.07	8.11
BAT Ind	5.63	5.33	5.40	5.33
Bank Scotland	4.28	4.13	4.25	4.15
Blue Circle	4.27	4.20	4.24	4.21
BOC Group	9.87	9.75	9.84	9.72
Boots	7.37	7.25	7.35	7.21
BPB Ind	3.29	3.20	3.25	3.20
Brit Aerosp	13.07	12.69	12.73	13.01
Brit Airways	7.15	7.02	7.10	7
BG	1.83	1.80	1.81	1.80
Brit Land	6.09	6.01	6.05	5.96
Brit Petm	7.56	7.38	7.42	7.32
BSkyB	5.82	5.68	5.73	5.76
Brit Steel	1.85	1.45	1.48	1.51
Brit Telecom	4.57	4.51	4.52	4.51
BTR	2.30	2.12	2.12	2.23
Burmah Castrol	10.46	10.33	10.43	10.35
Burton Gp	1.55	1.54	1.55	1.55
Cable Wireless	5.22	5.10	5.11	5.18
Cadbury Schw	5.75	5.41	5.65	5.53
Carlton Comm	5.49	5.35	5.41	5.47
Coml Union	7.64	7.40	7.48	7.48
Compass Gp	6.64	6.50	6.60	6.54
Courtaulds	3.22	3.16	3.21	3.17
Dixons	5.28	5.23	5.23	5.26
Electrocomponents	4.02	3.97	3.97	4
EMI Group	13.04	12.78	12.92	12.88
Energy Group	5.32	5.23	5.32	5.20
Enterprise Oil	6.67	6.50	6.57	6.47
Fam Colonial	1.63	1.62	1.62	1.61
Genl Accident	9.75	9.50	9.60	9.61
GEC	3.72	3.65	3.70	3.66
GKN	9.65	9.55	9.58	9.57
Glaxo Wellcome	12.82	12.11	12.43	12.03
Granada Gp	9.39	9.23	9.26	9.24
Grand Met	5.95	5.68	5.76	5.93
GRE	3.12	3.03	3.07	3.11
Greenalls Gp	5.14	5.05	5.10	5.11
Guinness	6.04	5.79	5.85	6
GUS	6.80	6.68	6.80	6.61
Hays	5.78	5.69	5.74	5.70
HSBC Hldgs	18.27	17.35	17.45	17.58
ICI	8.02	7.87	7.87	7.84
Impl Tobacco	4.05	3.59	4.01	4.03
Kingfisher	7.15	7.07	7.09	7.10
Ladbroke	2.60	2.52	2.55	2.55
Land Sec	8.95	8.74	8.74	8.63
Lasmo	2.45	2.36	2.42	2.35
Legal Genl Grp	4.72	4.56	4.59	4.67
Lloyds TSB Gp	6.19	6.09	6.17	6.13
LucasVarity	1.99	1.96	1.97	1.96
Marks Spencer	5.20	5.14	5.20	5.13
MEPC	5.02	4.91	4.96	4.97
Mercury Asset	14.52	14.11	14.43	14.03
National Grid	2.32	2.28	2.28	2.31
Natl Power	5.66	5.29	5.50	5.47
NatWest	8.20	7.93	7.98	8.05
Next	7.07	6.95	7.06	6.92
Orange	2.28	2.22	2.24	2.22
P&O	6.31	6.17	6.20	6.23
Pearson	7.58	7.43	7.45	7.48
Pilkington	1.18	1.14	1.17	1.18
PowerGen	6.77	6.59	6.67	6.57
Premier Farnell	4.78	4.57	4.62	4.69
Prudential	6.73	6.61	6.70	6.61
Railtrack PP	4.50	4.32	4.34	4.40
Rank Group	4.60	4.49	4.51	4.46
Reckitt Colm	9.05	8.68	8.90	8.73
Redland	3.40	3.27	3.32	3.36
Reed Intl	6.30	6.18	6.24	6.16
Rentokil Initial	4.26	4.20	4.22	4.15
Reuters Hdgs	7.07	6.88	7.01	6.79
Rexam	2.97	2.85	2.89	2.92
RMC Group	9.50	9.36	9.40	9.47
Rolls Royce	2.46	2.41	2.44	2.43
Royal Bk Scot	6.51	6.24	6.48	6.23
RTZ reg	10.17	10.05	10.12	10.06
Royal & Sun All	5.27	5.10	5.14	5.20
Safeway	3.34	3.28	3.32	3.30
Sainsbury	3.79	3.72	3.77	3.67
Schroders	17.30	16.95	17.25	17.05
Scot Newcastle	7.07	6.91	7.02	6.91
Scot Power	3.90	3.85	3.90	3.85
Securicor	2.97	2.94	2.96	2.95
Severn Trent	7.85	7.70	7.81	7.60
Shell Transp R	11.66	11.42	11.56	11.34
Siebe	9.97	9.72	9.85	9.64
Smith Nephew	1.78	1.75	1.76	1.76
SmithKline	11.64	10.43	10.65	10.30
Smiths Ind	7.78	7.71	7.73	7.75
Sthern Elec	4.43	4.28	4.28	4.42
Stagecoach	6.22	6.13	6.22	6.13
Stand Charter	10.12	9.99	10.09	10.06
Tate & Lyle	4.57	4.53	4.56	4.48
Tesco	3.83	3.78	3.81	3.78
Thames Water	6.93	6.78	6.86	6.78
3i Group	5.27	5.15	5.16	5.25
TI Group	5.67	5.60	5.62	5.66
Tomkins	2.78	2.73	2.73	2.74
Unilever	17.32	16.93	17.07	16.89
Utd Assurance	5.07	5.02	5.07	5.16
Utd News	7.79	7.68	7.72	7.79
Utd Utilities	6.97	6.85	6.88	6.79
Vendome Lx uts	5.23	5.18	5.18	5.16
Vodafone	2.88	2.81	2.82	2.86
Whitbread	8.08	8	8.03	7.97
Williams Hdgs	3.28	3.15	3.15	3.17
Wolseley	4.81	4.75	4.78	4.77
WPP Group	2.54	2.49	2.51	2.49
Zeneca	20	19.40	19.72	19.28

Madrid Bolsa index: 548.08 Previous: 544.31

	High	Low	Close	Prev.
Acerinox	24800	23600	24600	23880
ACESA	1755	1725	1740	1745
Aguas Barcelon	5830	5770	5810	5790
Argentaria	7600	7460	7500	7580
BBV	10530	10420	10500	10350
Banesto	1770	1650	1660	1675
Bankinter	23650	23300	23380	23550
Bco Centro Hisp	5190	5010	5090	4995
Bco Popular	34100	33500	33700	33850
Bco Santander	11810	11600	11810	11470
CEPSA	4970	4820	4970	4900
Continente	2575	2525	2560	2550
Corp Mapfre	7850	7750	7750	7800
Endesa	11130	10960	11170	10850
FECSA	1230	1210	1225	1210
Gas Natural	30290	29650	29820	30000
Iberdrola	1775	1730	1740	1745
Pryca	2735	2680	2700	2695
Repsol	6130	6030	6040	6080
Sevillana Elec	1390	1360	1370	1355
Tabacalera	7300	7200	7230	7290
Telefonica	4110	4060	4070	4055
Union Fenosa	1300	1265	1280	1275
Valenc Cement	1930	1900	1915	1900

Manila PSE index: 2677.11 Previous: 2671.79

	High	Low	Close	Prev.
Ayala B	16.75	16.50	16.75	16.50
Ayala Land	19.50	19.25	19.50	19.50
Bk Philip Isl	146	143	143	145
C&P Homes	10.75	10.50	10.50	10.50
Manila Elec A	91.50	86.50	91.50	86.50
Metro Bank	610	595	600	590
Petron	7.50	6.90	7	8.50
PCIBank	302.50	292.50	295	300
Phil Long Dist	750	735	740	755
San Miguel B	67	65.50	65.50	65
SM Prime Hdg	7.10	6.90	7	7

Mexico Bolsa index: 3935.56 Previous: 3930.89

	High	Low	Close	Prev.
Alfa A	48.30	47.30	47.90	47.40
Banacci B	17.46	16.76	17.04	16.76
Cemex CPO	28.95	28.70	28.70	28.80
Cifra C	12.70	12.54	12.64	12.58
Emp Modema	40.80	40.25	40.25	41.25
Gpo Carso A1	48.40	46.80	47.70	46.80
Gpo F Bcomer	1.87	1.86	1.86	1.87
Gpo Fin Inbursa	27.00	26.60	26.90	26.45
Kimb Clark Mex	30.50	30.00	30.40	30.70
Televisa CPO	98.50	97.70	98.00	99.00
TelMex L	17.42	17.14	17.28	17.34

Milan MIB Telematico: 12327.00 Previous: 12314.00

	High	Low	Close	Prev.
Alleanza Assic	12320	12070	12280	11800
Bca Comm Ital	3740	3710	3730	3735
Bca Fideuram	4465	4425	4430	4435
Bca di Roma	1248	1224	1224	1232
Benetton	23700	23250	23250	23500
Credito Italiano	2475	2430	2470	2440
Edison	8410	8250	8250	8350
ENI	8800	8655	8715	8750
Fiat	5770	5650	5705	5720
Generali Assic	30700	30000	30650	29800
IMI	15330	15250	15250	15250
INA	2330	2275	2330	2315
Italgas	5845	5770	5785	5810
Mediaset	7530	7450	7455	7520
Mediobanca	10370	10100	10100	10270
Montedison	1064	1044	1045	1045
Olivetti	495	482	484	490
Parmalat	2585	2545	2585	2535
Pirelli	3920	3860	3865	3880
RAS	14080	13870	13920	13855
Rolo Banca	17700	17505	17505	17600
S Paolo Torino	10845	10595	10790	10870
Stet	8345	8260	8280	8200
Telecom Italia	4670	4630	4640	4600
TIM	5330	5130	5145	5240

Montreal Industrials index: 3090.88 Previous: 3110.28

	High	Low	Close	Prev.
Bce Mob Com	42.30	42.30	42.30	43
Cdn Tire A	25¼	25.35	25¼	25.40
Cdn Util A	34.80	34.55	34.70	34.60
CT Finl Svc	33.50	33.45	33.50	33.40
Gaz Metro	17.45	17.30	17.45	17.40
Gt-West Lifeco	26.95	25½	26.95	24.30
Imasco	39	38.35	38.85	38.45
Investors Grp	26.60	26.45	26.45	26.65
Loblaw Cos	19	18.40	19	18.10
Natl Bk Canada	16.40	16.20	16¼	16.40
Power Corp	30.45	30.15	30.15	30.45
Power Finl	27.80	27¾	27¾	27¼
Quebecor B	25.90	25¾	25¾	25.85
Rogers Comm B	7.95	7.80	7.95	8
Royal Bk Cda	60	59.55	59.55	60

Oslo OBX index: 618.82 Previous: 618.20

	High	Low	Close	Prev.
Aker A	133	129	132	127
Bergesen Dy A	157.50	155.50	157.50	156
Christiania Bk	23.10	22.90	23	23
Den norske Bk	26.70	26.60	26.60	26.60
Elkem	142	138.50	138.50	139.50
Hafslund A	44	44	44	44.50
Kvaerner Asa	366	361	361	363
Norsk Hydro	352	332.50	349	349
Norske Skog A	244	240	242.50	241
Nycomed A	107	99	99	106
Orkla Asa A	614	605	612	605
Petlm GeoSvc	296	288	294	286
Saga Petlm A	135	133	133	133
Schibsted	141	139	140	135
Transocean Off	450	450	450	450
Storebrand Asa	45.20	44.90	45	45

Paris CAC-40: 2719.58 Previous: 2693.09

	High	Low	Close	Prev.
Accor	890	876	883	884
AGF	195	189.10	190.50	191.60
Air Liquide	903	891	895	897
Alcatel Alsth	682	660	663	645
Axa-UAP	374.40	369.60	371.30	370.70
Bancaire	769	753	753	761
BIC	909	883	889	899
BNP	249.90	244	249.20	245.90
Canal Plus	1069	1055	1055	1064
Carrefour	3824	3795	3799	3805
Casino	277.90	273.30	275.40	274.30
CCF	264.90	262	264.40	258.70
Cetelem	661	636	647	643
Christian Dior	903	884	895	883
CLF-Dexia Fran	557	545	548	542
Credit Agricole	1300	1280	1300	1265
Danone	896	881	893	880
Elf-Aquitaine	597	578	588	581
Eridania BS	895	883	893	883
Euradisney	9.60	9.40	9.60	9.45
Eurotunnel	6.70	6.55	6.65	6.65
Gen. Eaux	808	800	805	800
Havas	449	443.60	446.90	443.70
Imetal	843	818	825	827
Lafarge	393	382.10	390	389.80
Legrand	966	912	947	953
L'Oreal	2143	2112	2138	2129
LVMH	1469	1437	1450	1446
Lyon. Eaux	590	577	578	580
Michelin B	347.90	330	339.40	329.40
Paribas A	395	387.50	392.90	384
Pernod Ricard	313.50	309	312.40	308.50
Peugeot Cit	620	609	610	616
Pinault-Print	2518	2482	2501	2491
Promodes	2060	2016	2023	2028
Renault	147.50	143.10	147.40	143.20
Rexel	1555	1523	1555	1534
Rh-Poulenc A	198	194	196	196.40
Sanofi	564	546	557	551
Schneider	331.50	327	331.50	328.30
SEB	1049	1025	1046	1047
SGS Thomson	448	440	440.90	445.30
Ste Generale	677	653	668	653
Sodexho	2828	2745	2818	2739
St Gobain	837	797	830	794
Suez	309.50	303.20	303.50	305
Synthelabo	720	703	712	707
Thomson CSF	188.60	186.30	187.60	187.80
Total B	522	504	519	502
Usinor	93.50	90.65	91.40	93.20
Valeo	369.90	358	367.90	366

São Paulo Bovespa index: 10693.50 Previous: 10681.10

	High	Low	Close	Prev.
Bradesco Pfd	8.82	8.70	8.73	8.82
Brahma Pfd	776.00	774.99	774.99	776.00
Cemig Pfd	48.15	47.70	48.14	48.10
CESP Pfd	56.50	55.95	56.45	56.20
Copel	16.50	16.40	16.40	16.50
Eletrobras	482.00	476.00	481.00	480.00
Itaubanco Pfd	571.00	568.00	568.00	572.00
Light Servicios	490.50	489.00	489.00	491.00
Lightpar	331.00	329.00	331.00	329.00
Petrobras Pfd	232.00	225.00	231.00	227.00
Paulista Luz	169.00	168.50	169.00	169.00
Sid Nacional	37.650	37.30	37.640	37.60
Souza Cruz	9.49	9.45	9.45	9.49
Telebras Pfd	137.00	134.00	136.70	136.70
Telemig	154.00	152.00	153.90	153.00
Telerj	165.80	164.00	165.80	164.50
Telesp Pfd	344.00	333.00	343.40	336.00
Unibanco	N.T.	N.T.	N.T.	40.00
Usiminas Pfd	1.22	1.20	1.21	1.22
CVRD Pfd	25.00	24.50	24.70	25.00

Seoul Composite index: 683.86 Previous: 672.10

	High	Low	Close	Prev.
Dacom	93500	91000	93000	93500
Daewoo Heavy	5830	5510	5830	5400
Hyundai Eng.	17300	16700	17200	16800
Kia Motors	15800	15500	15500	15500
Korea El Pwr	26200	25500	25700	25700
Korea Exch Bk	5100	4660	5000	4750
Korea Mob Tel	400000	389000	394000	394000
LG Semicon	28600	27900	28600	28200
Pohang Iron St	54000	52500	53700	53500
Samsung Display	41000	40000	41000	40600
Samsung Elec	61800	60200	61800	61000
Shinhan Bank	10000	9890	10000	10100

Singapore Straits Times: 2112.97 Previous: 2101.48

	High	Low	Close	Prev.
Asia Pac Brew	6.85	6.80	6.80	6.80
Cerebos Pac	9.20	8.95	9.05	9.10
City Devts	13.80	13.50	13.50	13.40
Cycle Carriage	15.60	14.80	14.80	15.40
Dairy Farm Intl *	0.80	0.78	0.78	0.80
DBS foreign	18.80	18.30	18.50	18.60
DBS Land	5.30	5.15	5.20	5.20
Fraser & Neave	11.90	11.70	11.90	11.60
HK Land *	2.65	2.55	2.57	2.60
Jard Matheson *	6.55	6.25	6.30	6.45
Jard Strategic *	3.62	3.60	3.62	3.60
Keppel	7.15	6.90	6.95	6.95
Keppel Bank	3.86	3.82	3.82	3.84
Keppel Fels	4.98	4.78	4.84	4.84
Keppel Land	4.28	4.18	4.18	4.22
OCBC foreign	18.80	18.40	18.50	18.60
OS Union Bk F	10.90	10.20	10.50	10.60
Parkway Hdgs	6.20	6.10	6.20	6.20
Sembawang	6.90	6.75	6.80	6.75
Sing Air foreign	13.50	12.90	13.10	13.30
Sing Land	7.15	7.10	7.15	7
Sing Press F	29.50	28.80	29.10	29
Sing Tech Ind	3.96	3.88	3.92	3.94
Sing Telecomm	2.72	2.64	2.69	2.64
Tat Lee Bank	3.40	3.38	3.40	3.40
Utd Industrial	1.16	1.11	1.15	1.14
Utd OSea Bk F	15.70	15.40	15.40	15.40
Wing Tai Hdgs	4.36	4.24	4.32	4.32

*: in U.S. dollars.

Stockholm SX 16 index: 2926.41 Previous: 2932.49

	High	Low	Close	Prev.
AGA B	104.50	102.50	103.50	104
ABB A	104	101	102.50	101.50
AssiDoman	211	206	210.50	211
Astra A	319	309	313	315.50
Atlas Copco A	206	201	204.50	202.50
Autoliv	302.50	294.50	297.50	290
Electrolux B	487	475	477	478.50
Ericsson B	270.50	265	268	266.50
Hennes B	256	243	256	239.50
Incentive A	629	595	622	598
Investor B	378	368.50	370	375.50
MoDo B	246	243	246	243
Nordbanken	240	238	238	239.50
Pharm/Upjohn	260	251	253	259
Sandvik B	205	202	203	204
Scania B	219	213	218.50	214
SCA B	172	167	171.50	170
S-E Banken A	85	83	83.50	85
Skandia Fors	241.50	238.50	239	241.50
Skanska B	333	329	329.50	327
SKF B	184	180	180	181
Sparbanken A	149	145	149	147
Stadshypotek A	190	190	190	190
Stora A	116	113	114	115
Sv Handles A	223.50	222	223	223
Volvo B	209.50	206	206.50	208.50

Sydney All Ordinaries: 2524.30 Previous: 2524.80

	High	Low	Close	Prev.
Amcor	8.75	8.40	8.45	8.63
ANZ Bkng	8.52	8.44	8.49	8.40
BHP	18.22	18.12	18.21	18.08
Boral	3.81	3.73	3.73	3.82
Brambles Ind.	24.05	23.68	23.75	23.65
CBA	14.62	14.40	14.55	14.36
CC Amatil	14.75	14.64	14.70	14.60
Coles Myer	6.35	6.15	6.16	6.29
Comalco	6.88	6.63	6.86	6.60
CRA	19.87	19.77	19.80	19.71
CSR	4.70	4.62	4.63	4.76
Fosters Brew	2.61	2.56	2.61	2.56
Goodman Fld	1.67	1.65	1.67	1.66
ICI Australia	12	11.85	11.85	11.70
Lend Lease	24.90	24.41	24.82	24.38
MIM Hdgs	1.76	1.74	1.75	1.73
Nat Aust Bank	18.35	18.25	18.34	18.18
Nat Mutual Hdg	1.92	1.89	1.92	1.88
News Corp	6	5.89	5.93	5.98
Pacific Dunlop	3.51	3.45	3.48	3.51
Pioneer Intl	4.40	4.34	4.34	4.33
Pub Broadcast	6.58	6.45	6.48	6.50
St George Bank	8.28	8.14	8.15	8.15
WMC	8.04	7.99	8.04	7.97
Westpac Bkng	7.53	7.47	7.50	7.42
Woodside Pet	10.89	10.75	10.86	10.70
Woolworths	3.94	3.90	3.91	3.91

Taipei Stock Market index: 7952.12 Previous: 7966.64

	High	Low	Close	Prev.
Cathay Life Ins	151	148	148.50	148.50
Chang Hwa Bk	116.50	113.50	113.50	113.50
Chiao Tung Bk	66	63	64	65.50
China Develpmt	118	115.50	117	114.50
China Steel	30	29.40	29.70	29.50
First Bank	115	113	113	113
Formosa Plastic	62.50	61.50	62	62
Hua Nan Bk	111	108	109	107.50
Intl Comm Bk	63	61.50	62.50	61.50
Nan Ya Plastics	68.50	67.50	68.50	67.50
Shin Kong Life	91	88	88.50	89
Taiwan Semi	114	110	112.50	110.50
Tatung	55	53.50	54.50	54.50
Utd Micro Elec	70.50	68	68	69.50
Utd World Chin	68	67	67	67

Tokyo Nikkei 225: 20129.11 Previous: 20143.51

	High	Low	Close	Prev.
Ajinomoto	1210	1190	1200	1190
All Nippon Air	790	777	785	787
Amway	4230	4100	4100	4250
Asahi Bank	816	798	798	793
Asahi Chem	710	702	702	700
Asahi Glass	1180	1160	1160	1170
Bk Tokyo Mitsu	2160	2100	2100	2100
Bk Yokohama	531	526	529	529
Bridgestone	2750	2680	2710	2680
Canon	3050	3000	3010	3000
Chubu Elec	2110	2090	2080	2100
Chugoku Elec	2070	2030	2030	2050
Dai Nipp Print	2430	2380	2400	2470
Daiei	726	711	711	712
Dai-Ichi Kang	1620	1560	1560	1520
Daiwa Bank	434	425	426	420
Daiwa House	1440	1420	1430	1400
Daiwa Sec	914	883	896	871
DDI	8590a	8480a	8510a	8480a
Denso	2910	2850	2890	2890
East Japan Ry	5590a	5490a	5550a	5500a
Eisai	2350	2300	2320	2340
Fanuc	4260	4200	4210	4240
Fuji Bank	1580	1540	1540	1500
Fuji Photo	4740	4620	4620	4710
Fujitsu	1370	1350	1360	1340
Hachijuni Bk	1160	1120	1120	1150
Hitachi	1250	1230	1240	1220
Honda Motor	3870	3760	3840	3950
IBJ	1510	1460	1480	1410
IHI	509	494	501	485
Itochu	626	606	606	619
Ito-Yokado	6730	6630	6630	6570
JAL	534	521	527	528
Japan Tobacco	8430a	8330a	8380a	8290a
Jusco	4220	4100	4120	3960
Kajima	713	680	703	670
Kansai Elec	2230	2210	2230	2220
Kao	1520	1510	1510	1510
Kawasaki Hvy	540	526	534	528
Kawa Steel	382	374	374	380
Kinki Nipp Ry	710	705	705	705
Kirin Brewery	1220	1180	1180	1230
Kobe Steel	238	235	235	237
Komatsu	942	920	930	923
Kubota	600	587	590	590
Kyocera	7530	7450	7470	7500
Kyushu Elec	2050	2010	2010	2030
LTCB	385	371	379	369
Marubeni	508	502	502	502
Marui	2250	2200	2230	2180
Matsu Comm	3300	3180	3210	3230
Matsu Elec Ind	2200	2170	2170	2170
Matsu Elec Wk	1360	1320	1320	1340
Mitsubishi	1430	1390	1400	1400
Mitsubishi Ch	408	402	405	410
Mitsubishi El	715	704	704	707
Mitsubishi Est	1660	1620	1620	1640
Mitsubishi Hvy	847	834	840	824
Mitsubishi Mat	913	900	901	906
Mitsubishi Tr	1650	1600	1600	1540
Mitsui	992	976	988	975
Mitsui Fudosn	1490	1440	1440	1450
Mitsui Trust	978	895	910	855
Murata Mfg	5090	4980	5000	4960
NEC	1610	1590	1590	1580
Nikon	1890	1850	1870	1860
Nikko Sec	768	747	759	740
Nintendo	9300	9140	9160	9050
Nipp Express	940	919	925	910
Nippon Oil	655	642	651	650
Nippon Steel	381	373	373	376
Nissan Motor	766	748	761	767
NKK	270	264	265	268
Nomura Sec	1600	1540	1550	1570
NTT	1020b	9980a	9990a	9930a
NTT Data	4230b	4080b	4170b	3950b
Oji Paper	753	741	742	733
Osaka Gas	303	297	302	298
Ricoh	1470	1440	1440	1460
Rohm	10400	10100	10400	9930
Sakura Bk	745	717	730	709
Sankyo	3500	3430	3470	3440
Sanwa Bank	1550	1500	1520	1470
Sanyo Elec	524	502	506	500
Secom	7970	7770	7780	7790
Seibu Rwy	6390	6240	6250	6200
Sekisui Chem	1200	1170	1170	1170
Sekisui House	1210	1200	1210	1200
Seven-Eleven	8330	8110	8110	8100
Sharp	1650	1610	1640	1630
Shikoku El Pwr	2010	1990	1990	1990
Shimizu	719	693	716	696
Shin-etsu Ch	2710	2670	2690	2650
Shiseido	1790	1730	1770	1740
Shizuoka Bk	1170	1140	1150	1160
Softbank	7800	7630	7700	7720
Sony	9990	9680	9730	9570
Sumitomo	942	905	929	929
Sumitomo Bk	1650	1610	1610	1570
Sumit Chem	522	512	515	519
Sumitomo Elec	1850	1800	1800	1820
Sumit Metal	312	305	305	308
Sumit Trust	1240	1220	1230	1200
Taisho Pharm	3140	3080	3110	3090
Takeda Chem	2990	2940	2940	2950
TDK	9180	8980	9040	8950
Tohoku El Pwr	2010	1980	1980	2000
Tokai Bank	980	965	965	953
Tokio Marine	1390	1370	1370	1360
Tokyo El Pwr	2290	2260	2270	2270
Tokyo Electron	5040	4890	5000	4850
Tokyo Gas	302	296	296	293
Tokyu Corp.	674	657	658	660
Tonen	1450	1360	1380	1460
Toppan Print	1710	1690	1700	1670
Toray Ind	792	779	779	777
Toshiba	749	730	725	735
Tostem	2940	2880	2880	2950
Toyo Trust	985	960	960	964
Toyota Motor	3770	3650	3670	3740
Yamanouchi	2960	2910	2920	2930

a: x 100; b: x 1,000

Toronto TSE Industrials: 6258.64 Previous: 6272.58

	High	Low	Close	Prev.
Abitibi Price	24.40	23¾	23.80	24.40
Alberta Energy	32¼	31¾	32.15	31.90
Alcan Alum	49.35	48.70	48.70	49¼
Anderson Expl	18.90	18.40	18.80	18¾
Bk Montreal	52.80	52.40	52½	52.85
Bk Nova Scotia	56.65	56¼	56.40	56.60
Barrick Gold	35.20	34.30	34.20	35.05
BCE	34.70	34.40	34½	34.55
BC Telecomm	29½	29¼	29.40	29.40
Biochem Pharm	32	31	31	31½
Bombardier B	28.15	27.95	28	28.15
Brascan A	35.60	35.45	35½	35.45
Bre-X Minerals	N.T.	N.T.	N.T.	N.T.
Cameco	52	51.55	51.80	51.60
CIBC	33.60	33.20	33.20	33.60
Cdn Natl Rail	57.40	56.80	56.95	56¾
Cdn Nat Res	37	36.05	36.05	36.60
Cdn Occid Pet	28.90	28.45	28.45	28.85
Cdn Pacific	36.70	36½	36.55	36.85
Cominco	38.40	38	38¼	38.20
Dofasco	25.20	24.95	25.10	25.15
Domtar	11½	11.35	11.35	11½
Donohue A	29½	29.20	29¼	29.10
Du Pont Cda A	35¼	35	35¼	35¼
Edper Group	24.10	23.85	24	24.20
EuroNev Mng	43.45	43	43¼	43.20
Fairfax Finl	319	315	319	320
Falconbridge	31.20	31.10	31.15	31.15
Fletcher Chall A	24.15	23	23	23¼
Franco Nevada	73.45	71.10	71.10	73½
Gulf Cda Res	11.95	11¾	11.80	11.90
Imperial Oil	65.30	64½	65	64.65
Inco	46.90	46.40	46.60	46.90
IPL Energy	43.35	43.10	43.30	43.15
Laidlaw B	18.90	18.60	18¾	18.90
Loewen Group	41¼	40.80	41¼	40.90
Macmill Bldl	20.30	19.90	20.10	20
Magna Intl A	78½	76¾	76.90	77.30
Methanex	12.80	12.65	12.70	12.85
Moore	28.85	28.60	28.70	28.85
Newbridge Net	47¼	46.65	46.65	46.95
Noranda Inc	31.70	31½	31.70	31½
Norcen Energy	33½	33.20	33.30	33.20
Nthern Telecom	107.65	106¼	107.20	108¼
Nova	11.95	11.80	11.90	11.85
Onex	25	25	25	25
Pancdn Petlm	30.10	29¼	29.85	30
Petro Cda	23	22.70	23	22.80
Placer Dome	26.40	25.35	25.35	26.05
Poco Petlm	15.35	15.20	15.35	15¼
Potash Sask	114.40	112	112	115
Renaissance	41.85	41.35	41½	40.90
Rio Algom	37¼	36¼	37¼	36½
Rogers Cantel B	8.05	7.75	7.85	8.00
Seagram Co	54.15	53.65	53.95	54
Shell Cda A	58.10	57.05	57¼	58
Stone Consold	24.35	23.85	23.85	24½
Suncor Energy	37	36¼	36.60	36¼
Talisman Eny	46	44.80	45½	44.70
Teck B	31	30½	30.85	30.70
Teleglobe	44.35	44	44	44.40
Telus	23.40	22	23.10	22.20
Thomson	30½	30	30.20	29¾
TorDom Bank	41.10	40.45	40.85	41.15
Transalta	15.95	15¾	15.85	15.90
TransCda Pipe	25.55	25.40	25½	25½
Trimark Finl	48¼	48	48.60	48¼
Trizec Hahn	31¼	30½	31¼	30.40
TVX Gold	9.15	8.95	9	9
Westcoast Eny	24.55	24.20	24¼	24.65
Weston	77	75	77	77

Vienna ATX index: 1256.17 Previous: 1259.44

	High	Low	Close	Prev.
Boehler-Uddeh	946	926	929	939.05
Creditanst Pfd	484.50	457.50	483.65	459
EA-Generali	3122	3093	3120	3141
EVN	1683	1620	1632	1645
Flughafen Wien	532	517.45	518.50	525
OMV	1505	1448	1461.90	1490
Oest Elektriz	868.90	864	865	867.55
VA Stahl	535	522.50	522.50	528
VA Tech	2010	1980	1999.90	1982.30
Wienerberg Bau	2376	2310.95	2315	2340.40

Wellington NZSE-40 index: 2303.16 Previous: 2300.29

	High	Low	Close	Prev.
Air NZ Zeald B	4.30	4.29	4.30	4.29
Brierly Invt	1.32	1.30	1.31	1.30
Carter Holt ord	3.29	3.19	3.20	3.23
Fletch Ch Bldg	4.08	4.05	4.07	4.07
Fletch Ch Eny	4.55	4.49	4.53	4.48
Fletch Ch Forst	2.01	1.96	2.00	1.95
Fletch Ch Paper	3.32	3.24	3.30	3.24
Lion Nathan	3.50	3.45	3.47	3.45
Telecom NZ	6.74	6.68	6.68	6.70
Wilson Horton	11.70	11.45	11.65	11.70

Zurich SPI index: 3212.87 Previous: 3187.49

	High	Low	Close	Prev.
ABB B	1945	1915	1943	1928
Adecco B	490	475	476	487
Alusuisse R	1317	1306	1315	1277
Ares-Serono B	2080	2023	2049	2015
Atel R	875	875	875	870
Baer Hdg B	2100	2023	2040	2005
Baloise Hdg R	3250	3230	3250	3200
BK Vision	995	985	990	983
Ciba Spec Chem	137	132.25	132.25	135.25
Clariant R	848	833	833	833
Crd Suisse Gp R	173.75	171	172	173
Elektrowatt B	527	525	527	527
Ems-Chemie	6195	6110	6110	6130
ESEC Hdg	4650	4575	4600	4635
Holderbank B	1236	1215	1222	1240
Liechtenst LB B	486	484	484	485
Nestle R	1864	1834	1843	1830
Novartis R	2010	1976	2009	1983
Oerlikn Bueh R	152.50	149	152.50	148.25
Pargesa Hld B	1800	1781	1785	1796
PharmVisn B	802	792	803	797
Richemont A	2115	2090	2090	2115
Pirelli PC	230	225	225	230
Roche Hdg PC	12920	12780	12905	12730
SBC R	348.50	338	344.50	346.50
Schindler PC	1889	1845	1885	1848
SGS B	3270	3160	3200	3115
SMH B	860	840	851	853
Sulzer R	1066	1038	1062	1041
Swiss Reins R	1806	1790	1793	1797
Swissair R	1370	1341	1364	1347
UBS B	1447	1415	1439	1485
Winterthur R	1147	1131	1131	1128
Zurich Assur R	497	490	493.50	490

The Trib Index Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	164.28	+1.04	+0.64	+10.15
Regional Indexes				
Asia/Pacific	122.71	+0.51	+0.42	-0.58
Europe	172.95	+1.31	+0.76	+7.29
N. America	189.23	+1.19	+0.63	+16.87
S. America	151.24	+0.75	+0.50	+32.17
Industrial Indexes				
Capital goods	200.98	+2.39	+1.20	+17.59
Consumer goods	186.32	+0.75	+0.40	+15.42
Energy	192.73	+2.39	+1.26	+12.90
Finance	122.31	+0.81	+0.67	+5.02
Miscellaneous	165.48	-1.55	-0.93	+2.29
Raw Materials	184.29	-0.51	-0.28	+5.08
Service	152.69	+0.98	+0.65	+11.19
Utilities	140.85	+0.96	+0.69	-1.82

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

Big Fleet Emerges in Singapore

Acquisition by Osprey Creates Top Shipper

SINGAPORE — Osprey Maritime Ltd., a Singapore-based shipping company, said Tuesday it would become the largest energy transport company in Asia by buying Gotaas-Larsen Shipping Corp. for $530 million in cash and stock.

Fuji TV Network Enlists in JSkyB

CABLE: Broadcasters F

Continued from Page 11

SEINFELD: Big Bucks A

Continued from Page 11

ASIA/PACIFIC

Big Fleet Emerges in Singapore

Acquisition by Osprey Creates Top Shipper

Compiled by Our Staff From Dispatches

SINGAPORE — Osprey Maritime Ltd., a Singapore-based shipping company, said Tuesday it would become the largest energy transportation company in Asia by buying Gotaas-Larsen Shipping Corp. for $750 million in cash and stock.

The acquisition of Gotaas-Larsen, owned by Britain's reclusive Barclay brothers and incorporated in Monaco, would bring Osprey's fleet to 30 vessels and give it management of six liquefied-natural-gas carriers. The combined company would have assets of $1.36 billion and more than $600 million in orders through 2006.

"It's a nimble, strategic fit," said Richard Stokes, an analyst at W.I. Carr (Singapore) Pte. Osprey will be able to acquire vessels for much less than it would have to pay to have them built, he said.

Osprey plans to use its experience in countries such as Indonesia — where it has ties to a son of President Suharto — to secure long-term contracts for the vessels acquired from Gotaas-Larsen.

But the purchase is likely to hold back Osprey's earnings this year, Tim Cottew, Osprey's chairman, said. He would not give details on Gotaas-Larsen's financial performance, but he said, "certainly they've not been performing well" in the past two to three years.

It will take about 12 months to integrate the two companies, and "from 1998 forward, we'll certainly see our revenues increase fairly dramatically," Mr. Cottew said.

Osprey had profit of $16 million, or 11.1 cents a share, in 1996 on sales of $85.8 million.

(Bloomberg, Reuters)

Fuji TV Network Enlists in JSkyB

Compiled by Our Staff From Dispatches

TOKYO — Fuji Television Network Inc. joined Rupert Murdoch's Japanese satellite-broadcasting venture Tuesday, providing an inventory of Japanese-language programming.

The terrestrial broadcaster said it would be an equal partner in Japan Sky Broadcasting Corp. with News Corp., controlled by Mr. Murdoch, and with Sony Corp. and the computer software publisher Softbank Corp. Fuji TV is to provide program content, personnel and various technologies to JSkyB.

Analysts said Fuji TV's entry had given the venture an edge in the competition for subscribers.

Hughes Electronics Corp.'s DirecTV plans to start a 100-channel service this autumn. JSkyB aims to offer more than 100 channels to subscribers starting next April.

(Reuters, Bloomberg)

Time to Talk Turnaround for Seoul

By Philip Bowring
Special to the Herald Tribune

SEOUL — The vicious cycle that has squeezed the breath out of South Korea over the past year is beginning to unwind.

It is too early to say how many more casualties there will be, or how the cost will be shared among the banks, the government and the country's giant conglomerates, or *chaebol*.

But first, the good news: The past three months have seen the beginnings of a turnaround in the country's trade deficit, the size of which has surprised even the pessimists. Export volumes are rising steadily and imports are flat as manufacturing investment, which once was excessive, turns negative.

ECONOMIC SCENE

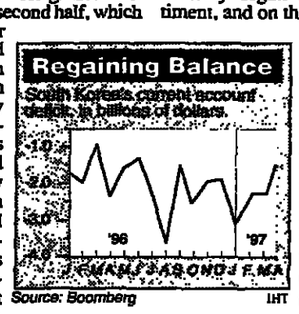
The importance of exports is not so much in turning around the current-account deficit, which, at less than 5 percent of gross domestic product, is modest by Southeast Asian standards.

The problem was inventory buildup as rapidly expanding output ran up against static sales and weak prices. Inventory has absorbed much of the 20 percent increase in domestic credit over the past year. Inventory is still growing as new plants come on stream, but the pace is slowing as sales volume grows.

The other good news is that the yen has risen sharply against the dollar recently, while the won has fallen, making South Korean exports more competitive.

After falling 25 percent in 1996, prices for South Korea's exports relative to imports have begun to turn around.

Semiconductor prices have stabilized and steel and chemical prices improved slightly. With global demand strong and competitiveness enhanced by the fall of the won and a sharp slowdown in wage growth, the stage seems set for gradual improvement in the second half, which will bring lower interest rates and relief to the cash flows of South Korea's highly leveraged companies. But there is still a rough road ahead. Capacity utilization is at an all-time low and unlikely to improve soon as plants started during the boom start producing. The government has made matters worse by launching a crusade against consumption.



South Korea has been suffering from excessive investment, not from too much consumption. Weak domestic demand is now exacerbating cash-flow problems.

Even without huge inventory increases and excess capacity, real short-term interest rates of almost 10 percent would be hard for highly leveraged companies to bear for long.

But official reluctance to ease the pressure by rapidly opening the bond market to foreigners — to which Seoul is committed eventually — has kept interest rates high but done little to curb demand for funds or force production cutbacks.

Though some large corporate failures have been permitted, such as that of the Hanbo group, other troubled chaebol such as Jinro and Doosan are, at government behest, being supported by the banks.

Their collapse would have a severely negative impact on sentiment, and on the foreign borrowing costs of other chaebol. It is a moot point whether troubled groups will be forced into a major restructuring or their bosses stripped of autocratic power. The finance minister is credited with being a committed reformer, but the bureaucracy is reluctant and the scandal-ridden government too weak to lead.

For South Korea's undercapitalized banks, bailing out troubled chaebol will delay the day when they are fit to face the competition that deregulation will bring.

Probably no one really knows the extent of the banking industry's nonperforming loans, or the quality of its collateral.

Though a government fund is being established to acquire the debt of troubled companies, it is as yet just a palliative.

When the corporate cash and solvency crisis has finally passed, a major task will remain: The banking system must be downsized and recapitalized without handing it over to the already overmighty chaebol. Financial as well as regulatory help from Seoul looks unavoidable.

But the picture for the longer term is encouraging. Recognition of the structural problems of corporate South Korea is widespread. Interest rates will come down in the short term as demand for funds slackens and in the long term as the capital market is opened up.

Lower interest rates would make equities attractive and thus open the way to corporate restructuring, reducing debt and expanding equity. A total opening of the stock market to foreigners by 2000 would speed that process. South Korea then would have a stock market that reflected its global manufacturing role, and wider share ownership would help change management philosophies.

The past year has had as searing an effect on South Korean thinking as did the recession that came with the oil shock in the early 1980s. Next time around, the investment cycle will be much less steep. Companies are now taking about rates of return, not sizes of production increase: quality before quantity; flexibility instead of force. Even the chaebol management styles are slowly becoming less autocratic, and organized labor less doctrinaire.

In short, South Korea has a track record of learning lessons. A wrenching trade cycle is forcing structural changes, if not as quickly as many would like. Spring has not yet arrived, but two years from now it will be high summer again in Seoul.

ADB Vows to Beef Up Asia's Private Sector

By Velisarios Kattoulas
International Herald Tribune

FUKUOKA, Japan — The Asian Development Bank wound up its annual meeting Tuesday with a pledge to increase the role of the private sector and capital markets in Asia and to transform itself to remain relevant into the next century.

The bank's president, Mitsuo Sato, pledged to "further attune" the development bank's operations to match Asia's changing needs when top donors are reducing contributions and its own lending is being dwarfed by private capital flows to the region.

Japan and the United States, both under pressure to cut budget deficits, announced in January that they would cut aid to the agency. Meanwhile, private capital flows to Asia in 1996 were estimated at $150 billion, compared with $5.5 billion in lending by the development bank.

Mr. Sato said many delegates had told him that huge investments and substantial new flows of money remained necessary to finance infrastructure in the region, with estimates ranging as high as $5 trillion.

The delegates emphasized the importance of the bank's role in attracting such funds to the region. Mr. Sato said after the meeting marking the 30th anniversary of the Manila-based bank.

"It is quite possible for us to remain relevant in the 21st century," Mr. Sato, a former Japanese Finance Ministry official, said. "At the same time, I don't want to overly intervene in sectors which should be left to private-sector hands."

'It is quite possible for us to remain relevant in the 21st century,' the bank's president said. 'At the same time, I don't want to overly intervene in sectors which should be left to private hands.'

Mr. Sato said that while savings rates in the region were as high as 50 percent of gross domestic product, much of that was being channeled into gold and other stores of wealth instead of productive investments. In one country where the development bank was active, he said, 40 percent of national savings were being invested in gold.

Regarding complaints about its refusal to lend to Burma, whose government calls the country Myanmar, Mr. Sato said the country's currency was overvalued and government spending was out of control.

The development bank monitors the Burmese economy but has refused to extend loans or technical assistance for a decade. Investment in Burma is controversial in many countries; its opponents say it helps prop up the military government.

"The issue of Myanmar includes highly political issues," Finance Minister Win Tin complained while the annual meeting was under way. "There will be problems with the international community."

On efforts by North Korea to join the development bank, Mr. Sato said the bank was waiting for reactions from its 56 member countries.

South Korea, which has set aside its differences with Pyongyang to support the membership bid, is at odds with Japan over the issue.

Finance Minister Kang Kyong Shik of South Korea publicly reiterated Seoul's support for North Korean membership Monday.

Officials said South Korea wanted to make sure it could turn to the development bank for funds to help rebuild the North if the Pyongyang government collapsed and the two Koreas, which are still technically at war, were to reunify.

But Finance Minister Hiroshi Mitsuzuka of Japan said earlier that Tokyo was cautious about North Korea's membership.

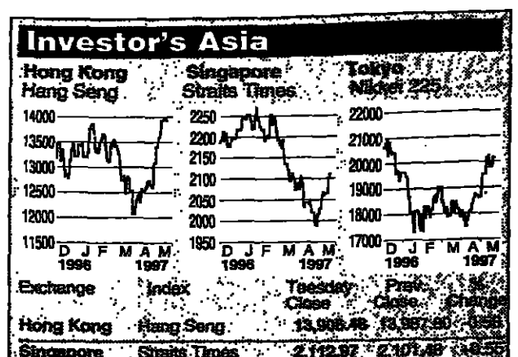
"We don't care about how bilateral or trilateral discussions are going on," Mr. Sato said. "What matters to us is reactions coming from existing members."

■ Australia Sets Aid Priorities

Asia-Pacific nations received priority in a pared-down proposed Australian aid budget, Foreign Minister Alexander Downer said Tuesday, Agence France-Presse reported from Canberra.

The draft budget for the year through June 1998 would cut the Foreign Affairs and Trade Department's outlay by 27 million dollars ($21 million), on top of 370 million dollars in cuts this year.

Investor's Asia



Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,906.48	13,987.60	-0.58
Singapore	Straits Times	2,112.97	2,101.48	+0.55
Sydney	All Ordinaries	2,634.30	2,624.60	+0.37
Tokyo	Nikkei 225	20,129.11	20,148.51	-0.09
Kuala Lumpur	Composite	1,084.55	1,088.52	-0.36
Bangkok	SET	600.24	592.16	+1.36
Seoul	Composite Index	683.86	672.10	+1.75
Taipei	Stock Market Index	7,662.12	7,666.04	-0.05
Manila	PSE	2,877.11	2,871.39	+0.20
Jakarta	Composite Index	672.87	675.61	-0.41
Wellington	NZSE-40	2,303.16	2,309.07	-0.26
Bombay	Sensitive Index	3,781.96	3,765.25	+0.44

Source: Telekurs International Herald Tribune

Very briefly:

• **Elf Aquitaine** SA agreed to a $20 million joint venture with ***Wuhan Organic Chemical Industry Co. of China.*** The French oil company also received permission to establish a holding company, **Elf Atochem China,** to oversee its 10 projects in China.

• **Carter Holt Harvey Ltd.,** New Zealand's biggest forestry company, said annual profit fell 45 percent, to 251 million New Zealand dollars ($174.4 million) amid a slump in prices. The company, which is 50.2 percent-owned by **International Paper Co.,** said sales dropped 4 percent, to 2.94 billion dollars.

• **Nintendo Co.** said its parent-company current, or pretax, profit for the year ended March 31 fell 14 percent, to 101 billion yen ($851.6 million), amid fierce competition with **Sony Corp.'s** PlayStation home video game. Sales rose 15 percent, to 345.5 billion yen.

• **Cable & Wireless PLC** of Britain and its subsidiary **Hong Kong Telecommunications Ltd.** will join **Keppel Group** and **Singapore Press Holdings Ltd.** to bid for a fixed-wire telephone license in Singapore. The consortium, called **MobileOne,** already has a cellular service.

• **Australia's** interim budget disappointed investors by calling for cuts of just 352 million Australian dollars ($274.2 million), well below market forecasts of as much as 1.5 billion dollars.

• **Hanbo Steel & General Construction Co.'s** creditors agreed to complete the company's hot-rolled and cold-rolled steel plants by investing 478.3 billion won ($536.4 million) before selling the bankrupt company through open bids.

• **The Philippine** property market will not collapse as Thailand's did, Manila's Securities and Exchange Commission chairman, Perfecto Yasay, said. He said demand for low- and moderate-income housing would exceed supply by 3.7 million units in the next three years.

Bloomberg, Reuters

Hanoi Reaches Telecom Pacts

Bloomberg News

HANOI — The state-run telecommunications company has reached tentative accords with six foreign companies after two years of wrangling over $1.2 billion in contracts, a Vietnamese official said Tuesday.

The plans call for Cable & Wireless PLC of Britain and Nippon Telegraph & Telephone Corp. of Japan to each install about 250,000 telephone lines in Hanoi at a cost of about $400 million. Nissho Iwai Corp. and Sumitomo Corp. have minority stakes in NTT's installation. France Telecom and Telstra of Australia would each install as many as 450,000 lines in Ho Chi Minh City, at a combined cost of about $800 million.

The foreign companies' role will be restricted to installing the lines and providing technical expertise in exchange for a cut of the system's revenue.

The Ministry of Planning and Investment will decide whether licenses can be awarded. The contracts are being examined by Vietnam Post & Telecommunications' management board.

CABLE: *Broadcasters Fight for Latin America's Growing Numbers of TV Watchers*

Continued from Page 11

York-based media-research company, the number of households in Latin America with cable or satellite television jumped 30 percent last year, to 14.2 million from 10.9 million in 1995. In Brazil the increase was elevenfold.

CNN executives said some major American, Japanese and European advertisers, eager to reach the Latin American audience with a single buy instead of fragmenting their budgets among 20 countries, have been quick to sign on to the concept.

CBS Telenoticias, which says it reaches 10 million households in 18 countries, sees its future lying in the same direction.

"The pie is so huge that we are going to see new budgets created by the big advertisers," said Francisco de la Torre, a former PepsiCo Foods executive who is now president of CBS Telenoticias.

Even without showing a profit, however, the news channels clearly have already transformed the way news is covered and watched in Latin America. In the past, the first thing any would-be dictator did during a coup was to seize control of the local television and radio stations.

"Today, with the proliferation of new technologies and channels, that sort of blockage and censorship of the news is impossible," said Rosental Calmon Alves, a professor of journalism at the University of Texas College of Communications. "In some cases it is obvious that the coverage of these news channels is more efficient and independent than that of the local channels."

Already, though, the battle to deliver news to Latin America's middle class has claimed a big-name casualty. NBC's Canal de Noticias, based in Charlotte, North Carolina, ceased broadcasting April 1 after nearly four years of low ratings.

Felix Cortes Camarillo, president of Eco, said he doubted that all the channels now competing in the Spanish-language news market could survive. But he expressed confidence that his network could hold its own against the two American giants.

"There's no more news than what happens, and we all have access to the same news," he said. "What's different is the angle of vision. We speak the language, and when I say that, I'm not talking about Spanish so much as a point of view."

But CBS Telenoticias, which is based in Miami, bills itself as the one truly regional network, proudly pointing out that its 12 anchors hail from eight countries and that it has reporters and producers representing every country in Latin America.

"We are the only ones taking a pan-Latin American approach, and being based in the city that is the crossroads of Latin America, we have access to the best talent and all the important newsmakers," said Ricardo Brown, a Cuban-American who is the network's news director.

CNN en Espanol, in turn, appears to be emphasizing the value of its brand name and its franchise as the world's most widely seen provider of news via cable. "We adhere to CNN standards and quality, adding a Latin American focus," said Rolando Santos, a Mexican-American journalist who oversees the channel. "We don't translate. We are a wide-ranging, full-service network."

Though it likes to criticize its U.S.-based rivals, Eco carries baggage of its own. Televisa, its parent company, is widely regarded throughout Latin America as the television mouthpiece of the Institutional Revolutionary Party, Mexico's ruling party for nearly 70 years, and its newscasts have been criticized as lacking the impartiality that both the U.S. networks are using as a selling point.

"It is true" that in the past there has been "some contamination" by official Mexican government views, Mr. Cortes said. That has changed because "the Mexican political system has been altered" in recent years, he said.

The opportunity to reach the rapidly growing Hispanic market in the United States as well as 40 million people in Spain only adds to the appeal for all the competitors. About one of every 10 Americans, or more than 27 million people, are estimated to be of Hispanic descent.

Already, though, the U.S. Hispanic market has more disposable income than any country in Latin America except Brazil and Mexico, which makes it especially attractive to broadcasters and advertisers alike.

CBS Telenoticias began separate programming aimed at the United States on March 17, the same day that CNN en Espanol went on the air; CNN plans eventually to do the same.

SEINFELD: *Big Bucks Are a Bargain for NBC*

Continued from Page 11

day night lineup around the quirky sitcom, and has used the show to solidify its position as the leading network for the past two seasons.

Mr. Littlefield said Thursday night was NBC's "comedy Cape Canaveral," with "Seinfeld" as the launching pad. NBC has piggybacked on the success of "Seinfeld" for years by surrounding it on either side with a number of other half-hour sitcoms.

The show has immediately preceded or immediately followed such programs as "Frasier," "Mad About You," "3rd Rock From the Sun," "Suddenly Susan," "Caroline in the City" and "The Naked Truth."

"NBC wouldn't be No. 1 in prime time, in late night or even in morning or sports programming without 'Seinfeld,'" said Paul Schulman, whose company purchases broadcast time for major advertisers.

A more costly "Seinfeld" may put a dent in NBC's profits but only a small one, a production executive said.

One minute of commercial time on the program sells for an average of $700,000, ad executives said, and in some exceptional cases NBC has charged as much as $1 million a minute, a record for a regularly scheduled show.

Minus the two minutes that NBC devotes to promotions and gives over for local ads on "Seinfeld" each week, the show generates more than $90 million a year for the network. That includes two broadcasts a season of the 22 original episodes.

"Seinfeld" is lucrative because of its high ratings, but also because it gets high ratings on Thursday nights. Advertisers, particularly movie companies with new releases, pay premium prices to run commercials on Thursday, when they presume viewers are making their weekend plans.

With all that money on the line, plus much more in rerun revenue, NBC and Columbia were not about to lose the three co-stars of "Seinfeld" for the next two seasons.

Jerry Seinfeld has not committed past one more season.

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Notice is hereby given that an Extraordinary General Meeting of Shareholders of Fidelity Frontier Fund Sicav (the "Company") will be held at the registered office of the Company in Luxembourg on May 23, 1997 at 11.15 a.m. to consider the following agenda:

1. To hear the report of the auditor to the liquidation.
2. To approve the report of the liquidator and to the auditor to the liquidation.
3. To grant discharge to the liquidator and to the auditor to the liquidation.
4. To grant discharge to the Directors in office at the date of liquidation.
5. To resolve the close of the liquidation of the Company.
6. To resolve to keep the records and books of the Company for a time of 5 years at the registered office of the Company.
7. To note that proceeds which have not been distributed will be transferred to the Caisse des Consignations to be held for the benefit of the persons entitled thereto.

If you are not able to attend the above Extraordinary General Meeting, you are urged to execute and return a proxy to the registered office of the Fund prior to the date of the meeting. Proxies can be obtained from the registered office of the Fund.

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NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Fidelity Global Selection Fund (the "Fund") will be held at the registered office of the Fund in Luxembourg on May 23, 1997 at 11.00 a.m. to consider the following agenda:

1. To hear the report of the liquidator
2. To appoint an auditor to the liquidation.

If you are unable to attend the above Extraordinary General Meeting, you are urged to execute and return a proxy to the registered office of the Fund prior to the date of the meeting. Proxies can be obtained from the registered office of the Fund.

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The Associated Press.

NYSE

Tuesday's 4 P.M. Close

(Continued)

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The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) - fortnightly; (r) - regularly; (t) - twice weekly; (m) - monthly.

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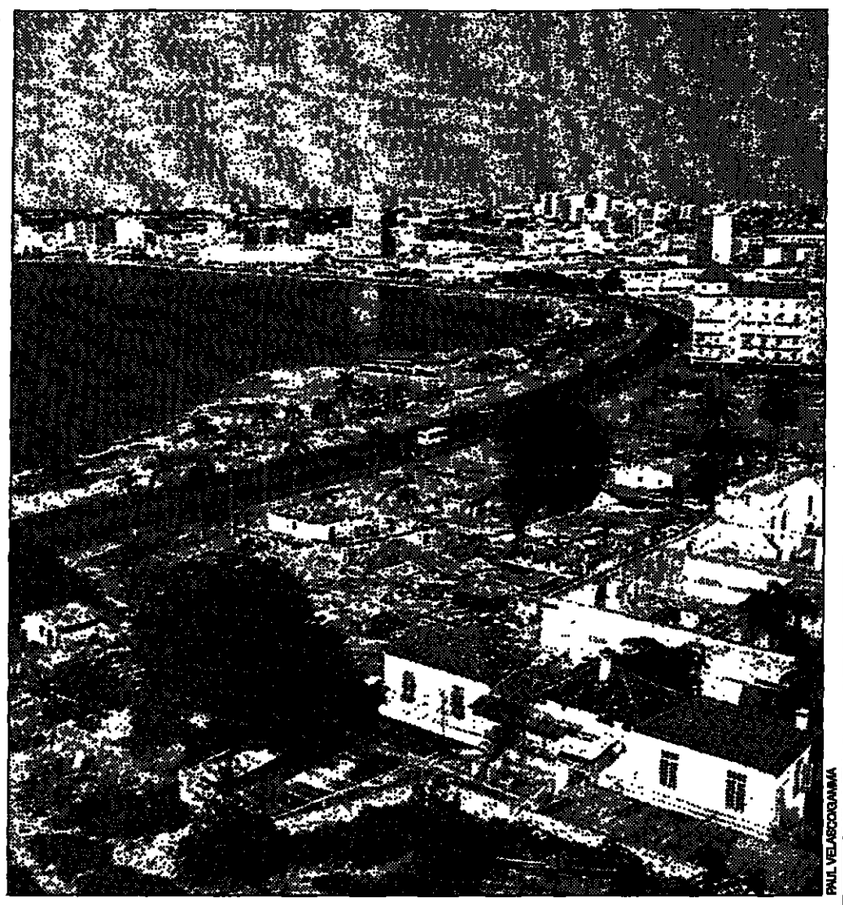
ANGOLA

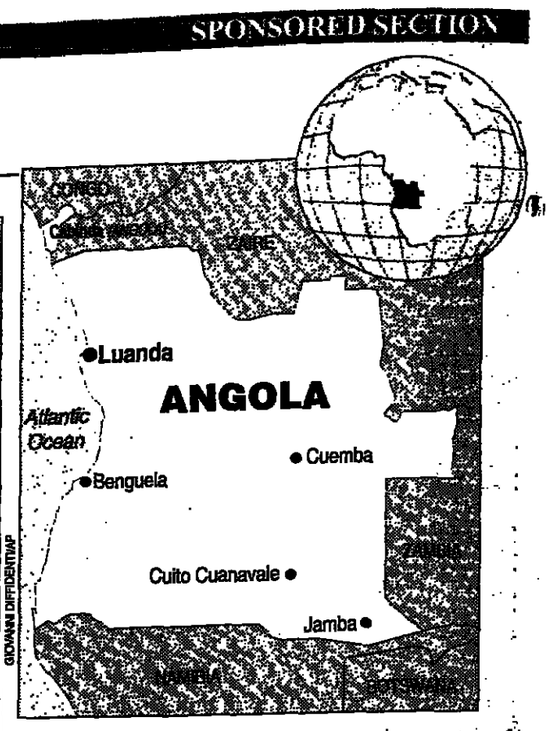


PAUL VELASCO/AMMA

GIOVANNI DIFFIDENTI/AP

DOPPAGNE/BSR/REUTERS

A view of the capital city of Luanda (left); new Angolan government ministers and vice ministers at the formation of the new government at the National Assembly building in Luanda (top right); Belgium's King Albert II is flanked by Angola's President Jose Eduardo dos Santos on his right and UNITA leader Jonas Savimbi on his left (lower right).



AT A GLANCE

LAND AREA
486,213 square miles

POPULATION
11.5 million (1995 estimate)

CAPITAL
Luanda

LANGUAGES
Portuguese (official), Umbundu, Kimbundu, Kikongo, Tchokwe, Ovambo

RELIGIONS
Roman Catholic (51 percent), Protestant (17 percent), non-Christian (32 percent)

CURRENCY
Kwanza

GNP GROWTH
9 percent (1996 estimate)

EXPORTS
Over $5 billion (1996 estimate)

IMPORTS
Over $1.5 billion (1996 estimate)

MAJOR IMPORT SOURCES
United States, Portugal, France

ROADS
46,575 miles

RAILWAYS
Benguela (810 miles), Luanda (334 miles), Moçâmedes (563 miles)

MAJOR PORTS
Luanda, Lobito, Namibe

AIRPORTS
International airport at Luanda; 13 other airports

RECONSTRUCTION VIA RECONCILIATION

The formation of a government of national unity brings wide-ranging investment opportunities.

The installation on April 11 of the Government of Unity and National Reconciliation marked the turning of another corner in Angola's road toward peace and reconstruction. It opened the way for resource-rich Angola to take its place (with Nigeria and South Africa) as one of the economic powerhouses of the continent.

More than 20 years of Angolan civil war ended with the signing of a peace agreement in November 1994. Achieving political reconciliation between the government of Angola and UNITA (the National Union for the Total Independence of Angola) has not been easy. But in March, international efforts helped to resolve outstanding issues holding up the installation of the new government.

By the end of March, UNITA representatives had arrived in Luanda, and agreement was reached on the outstanding issue of the future status of the UNITA leader, Jonas Savimbi.

Ceremony heralds agreement

Mr. Savimbi had announced on March 22 that he would accept the position as the president of the largest opposition party. UNITA's 70 deputies have taken their place in the National Assembly, and UNITA has four ministers and seven vice ministers serving in the government.

On March 27, the government and UNITA had announced agreement on a basic program of government. The ceremony installing the new government was attended by numerous political leaders from around the world and was hailed as the beginning of a new era.

World assistance

New opportunities have also been signaled by resumed cooperation with the International Monetary Fund and the World Bank, and by Angola's new membership in the World Trade Organization.

Under the auspices of a UN Verification Mission, which at its height deployed 7,500 peacekeepers in Angola, the process of demobilization was begun. In accordance with the peace agreement, the government withdrew its troops from demobilized areas, returned its Rapid Reaction Police to barracks, released all UNITA prisoners, initiated a program to disarm the civilian population and passed a comprehensive amnesty law.

By the end of 1996, UNITA announced that it had quartered all of its troops in UN-supervised quartering areas (some 70,000 combatants were registered during the process) and had surrendered weapons to UN control. Checkpoints on both sides were dismantled, and the integration of UNITA troops into a unified national army was begun. UNITA police were also quartered and are now being incorporated into the national police force.

As the civil war came to an end in 1994, Angola was heavily dependent upon international emergency assistance to feed and care for its people. As peace was consolidated, the government and the international community began to focus on sustainable development rather than emergency aid.

A joint report by the World Food Program and the UN Food and Agricultural Organization says that "with the peace process proceeding, an environment is emerging for a move from short-term assistance to rehabilitation and reconstruction." Seed distribution projects, for instance, will replace emergency food programs. The organizations also reported that crop yields had improved throughout the country.

Modernization under way

The replanting of Angola's fertile farming lands has been possible because refugees and former combatants are able to return to their homes. A priority for the government is the modernization of its communications and transportation infrastructure. Roads, bridges and railroads are being rebuilt, and commerce and the free movement of goods and people have resumed. (According to UN statistics, as of Feb. 1, 1997, UN troops had built or restored 38 bridges and de-mined 4,505 kilometers, or 2,800 miles, of road.) Traffic through the Luanda airport has increased by over 80 percent.

With the help of the UN, donor countries and multinational institutions, Angola is conducting a massive de-mining campaign to free its roads and countryside of land mines (as many as 10 million, according to one estimate.) For the first time since 1975, Angolans can now travel by road to every provincial capital. ●

FRAZZINI/AFP

Angolan President dos Santos with U.S. President Clinton.

BUILDING A SOLID RELATIONSHIP WITH THE UNITED STATES

Both the public and private sectors are cooperating.

The United States officially recognized the MPLA (Popular Movement for the Liberation of Angola) as the legitimate government of Angola on May 19, 1993 and has been actively involved in Angola's transition to peace. In September 1995, at the International Donors' Conference in Brussels, the United States pledged $190 million to support reconstruction and development.

A U.S. AID mission has been established in Angola

Relations were further strengthened when Angolan President Jose Eduardo dos Santos met U.S. President Bill Clinton during an official visit to Washington in December 1995. In October 1996, Warren Christopher made an official visit to Angola — the first by a U.S. secretary of state.

In 1996, a mission of the U.S. Agency for International Development (AID) was established in Angola, paving the way for economic, technical and other assistance.

The United States purchases more than half of Angola's exports — in 1996, it bought $2.6 billion of Angola's $5 billion worth of exports. This includes more than 70 percent of Angola's oil.

U.S. private investment is expected to exceed $4 billion in 1997.

DYNAMIC MARKET IS EXPANDING

Angola's geography and resources make it a central part of Southern Africa's future.

An important part of the attraction of Angola for a foreign investor lies in its close links with the rest of Southern Africa, which is likely to emerge as the economic powerhouse of the whole continent, especially now that a democratic Republic of South Africa is playing a full part in international life.

Southern Africa, consisting of 12 countries, has a combined GDP of $150 billion and represents 130 million consumers. All of these countries are now at peace and have a free-market orientation. Most are democracies or are moving toward democracy. The instability in nearby Zaire has not had major repercussions in the Southern African region.

Angola's 1,600 kilometer (864 mile) coastline and its three major ports make it a natural transshipment point for the region. Angola may well replace South Africa as the region's main energy supplier as new hydroelectric projects are completed.

In addition, Angola has many formal trade and treaty links. The Southern African Development Community (SADC) was formed in 1992 by Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe. Post-apartheid South Africa joined in August 1994, and Mauritius became the 12th member in 1995.

SADC countries account for 40 percent of Africa's population, 81 percent of the continent's GDP, 81 percent of Africa's imports and 80 percent of the continent's exports.

SADC replaced the Southern African Development Coordination Conference, which was formed in 1980 largely as an attempt to reduce the region's economic dependence on white-ruled South Africa. The arrival of a democratic South Africa changed the political emphasis, but the new organization's aims remain the same:

- boosting Southern Africa's general economic independence;
- building regional integration and trade;
- mobilizing support for national and regional projects.

In August 1996, SADC heads of state signed a protocol aimed at creating a regional free-trade area. This provides for the reduction and ultimate removal of all import tariffs among member states over a period of eight to 10 years.

SADC also plans to establish a Southern African power pool, which would enable members to benefit from cheap electricity produced in South Africa and, ultimately, Angola. Wider plans include the establishment of a regional development bank, a common currency system and a regional parliament. In 1994, SADC defense ministers voted to set up a regional rapid-deployment peacekeeping force to contain conflicts between member states. ●

Angola's 1,600-kilometer coastline and three major ports make it a natural transshipment point for the region

ECONOMIC REFORM IS BEARING FRUIT

A program to set the economy on the right course is receiving international recognition.

A senior Angolan government delegation held talks in Washington in September 1996 with the International Monetary Fund and the World Bank, and a joint team from the international organizations visited Angola in October. A formal stabilization program is scheduled to begin this year. The government delegation was led by the recently appointed planning minister, Emanuel Moreira Carneiro, who was able to give the IMF and World Bank evidence of the effect of the latest reform program, called Nova Vida (New Life), which began on July 1, 1996. Since then, he explained, the exchange rate differential between the official and parallel markets for currency has been reduced to 10 percent, and the monthly inflation rate has slowed by 13 percentage points.

The director of the IMF, Michael Camdessus, who led the delegation to Luanda in October, announced that the IMF would agree to an Enhanced Structural Adjustment Facility (ESAF) financing deal for Angola. This enables the government to draw up to $75 million of its $300 million quota at the start of a program lasting three years.

Critical issues

Mr. Camdessus emphasized that the deal would lead to a greater integration into the world economy. It is expected to unlock external financial assistance from other bilateral and multilateral donors.

Some of the critical issues raised during the IMF/World Bank visit included reducing domestic arrears and outstanding payments to creditors, reducing loans guaranteed with oil production, assisting the Central Bank in reducing credit to the banking system, and attaining transparency in the budget and other areas of the public sector.

Trying to stabilize Angola's economy while at the same time addressing the pressing economic and social needs of the country following years of war and strife requires international support to succeed. On March 26, United Nations Secretary General Kofi Annan launched the UN's 1997 Consolidated Inter-Agency Appeal for Angola, requesting that international donors provide $228.4 million for relief, rehabilitation and reconstruction programs designed to support the peace process in Angola. The consolidated appeal provides a framework for the transition from emergency assistance to national rehabilitation and reconstruction.

Postwar rehabilitation

A postwar rehabilitation program was prepared by the Angolan Ministry of Planning, with technical assistance from the UN Development Program, and was presented to the International Donors' Conference in Brussels in September 1995. Donors pledged $993 million, including $207 million for humanitarian assistance and $786 million for rehabilitation.

The program focuses on the revival of agriculture, artisanal fisheries and small-scale urban economic activities, as well as the rehabilitation of roads and bridges, water and sanitation systems, primary health care and education. The emphasis of donors and international agencies has shifted from emergency aid to sustainable development.

In announcing its 1997-98 program, the United Nations Children Fund (UNICEF) said it will provide nearly $3.8 million of emergency development assistance to Angola over the two-year period. A central part of the UNICEF plan is to establish mini-primary schools to provide education to street children and children in rural areas.

Assistance and Social Reintegration Minister Albino Malungo signed an agreement with Mohamed Zejjari, the World Food Program's (WFP) director for Africa, on March 13 for $68 million worth of food assistance from the UN organization. The WFP will provide an estimated 96,000 tons of food to Angola in 1997. It will also initiate a parallel food assistance program worth $11 million for demobilized soldiers. The one-year agreements will reach more than 600,000 beneficiaries. ●

LAWS ACCOMMODATE INVESTORS

Incentives are not lacking for those who would like to do business in Angola.

In 1979, 1988 and 1994, laws were promulgated in Angola to encourage foreign investment, allowing some 100-percent foreign-owned companies to do business, cutting red tape and easing foreign exchange restrictions.

The new investment laws:

- ensure that foreign companies are guaranteed equal treatment;
- open nearly all sectors of the economy to foreign investment, including infrastructure development;
- permit private commercial banking;
- allow foreign investors to transfer abroad dividends, profits and proceeds of the sale of investments;
- offer special fiscal incentives to foreign investors who employ a high proportion of Angolans and provide them with professional training;
- simplify and speed up foreign investment procedures; and
- allow investments of less than $5 million without full cabinet approval.

The government plans to make opportunities available to foreign investors. These include participation in onshore and downstream oil operations, privatization of all 33 state-owned coffee companies, rehabilitation and reconstruction contracts worth hundreds of millions of dollars, reconstruction of the national power grid at a cost of more than $800 million and modernization of telecommunication facilities and infrastructure.

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ANGOLA

OIL SUCCESS STORY CONTINUES APACE

Investment benefits the country and the investor.

Producing nearly 700,000 barrels a day, worth $4.5 billion annually, Angola is the second largest oil producer in sub-Saharan Africa (behind Nigeria). Crude oil accounts for 90 percent of total exports, more than 80 percent of government revenue and 42 percent of the country's GDP.

About 15 foreign companies, including AGIP, Chevron, Elf Aquitaine, Exxon, Occidental and Texaco, have profitably invested more than $8 billion in Angola. Oil companies are attracted by Angola's low operating costs, favorable geology and good business terms. Ever since production began in 1955, cooperation between Angolans and the oil companies has ensured an almost continual flow of oil, in spite of the independence struggle and the civil war.

The success story continues. Oil output is expected to reach 1 million barrels a day by the year 2000. The county's recoverable reserves are estimated at almost 4 billion barrels, and exploration finds new reserves at the same rate as oil companies deplete old ones.

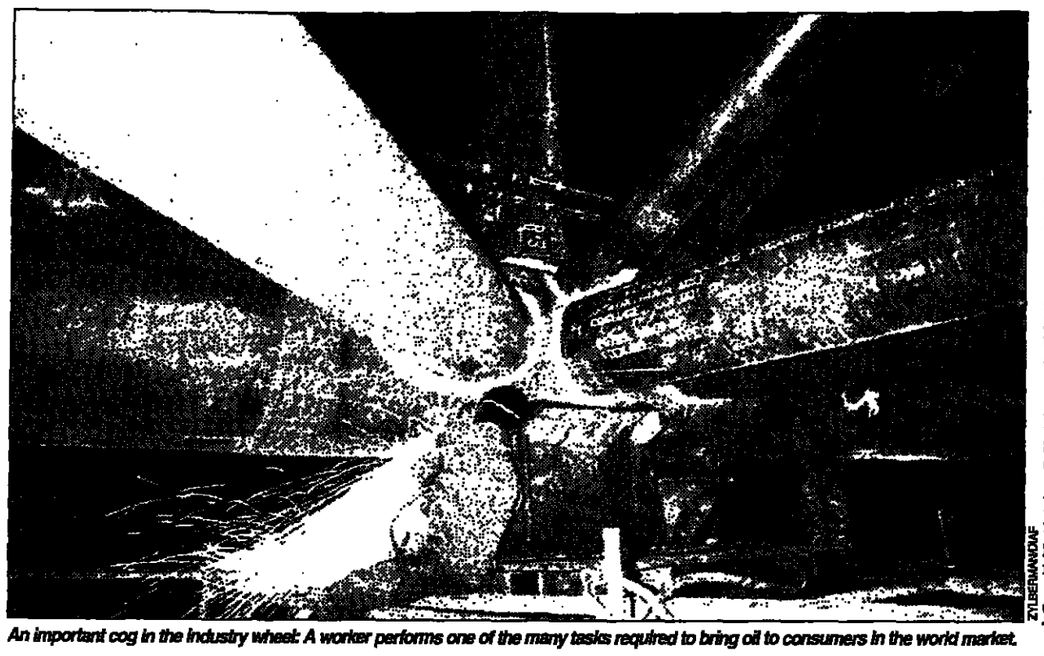
Large field discovered

In July last year, Elf announced the discovery of what is reported to be the biggest oil field in the southern hemisphere.

Foreign companies continue to invest in Angola. Chevron, which has been operating in Angola for more then 40 years, has discovered four new offshore fields with 300 million barrels of recoverable oil. It is investing $2.8 billion between 1994 and 1998 to develop deep water oil fields off the coast. Texaco, which has been in Angola for more than 25 years, will invest $600 million to develop new fields.

Oil production began onshore in 1955 and off the coast of Cabinda in 1968. About two-thirds of current reserves are off the coast of Cabinda, and most of the rest are off the coast of Soyo in the northwestern province of Zaire.

This location in coastal areas of the northwest, mostly offshore, helped the industry escape the destruction that war inflicted on most other sectors of the economy. It has also benefited over the past 20 years from encouraging and pragmatic government policies. Production rose notably after 1982. By 1992, it had reached 549,000 barrels a day, more than four times its 1982 level. In 1995, the average production level was 650,000 barrels a day.


ZYLBERMAN/DAF

An important cog in the industry wheel: A worker performs one of the many tasks required to bring oil to consumers in the world market.

Gas reserves

Angola also has large reserves of natural gas. About half the gas produced in association with oil is flared, and most of the rest is used to boost oil production in oil fields, but Chevron operates facilities in Cabinda for extracting a propane/butane mix from gas.

Exports, in the form of liquefied petroleum gas, are estimated to have totaled 1.27 million barrels a day in 1994.

The government hopes to develop and modernize the gas sector and is looking for help from foreign companies.

Consumption of refined petroleum products in Angola is low (about 15,600 barrels a day in 1993), mostly because the country relies on its substantial hydroelectric resources for electricity generation.

Domestic needs are met by a refinery on the outskirts of Luanda, which was built in the 1950s and is jointly owned by Petrofina, the government and some minority shareholders. It has a capacity of about 1.6 million tons a year and has been operating close to full capacity in recent years.

The government of Angola has discussed with foreign investors the possibility of building a larger refinery in the south. ●

DIAMONDS MOVE BACK INTO LIGHT

With the help of international diamond companies that are investing in Angola, the government will revive its exploration of this extremely valuable resource.

Before 1975, Angola was the world's fourth largest producer of diamonds. The industry almost collapsed during the 1975-76 crisis, but it has since revived. The government has plans to take full advantage of this rich resource. At present, official and unofficial diamond production is estimated to be worth $700 million a year.

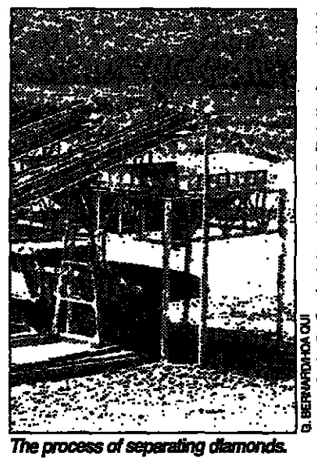
Angola's alluvial reserves total between 40 million and 130 million carats; in addition, volcanic pipes called kimberlites hold an estimated 180 million carats. The new government program aims to produce more than 2 million carats of diamonds annually.

Leading the renewed interest of international capital is De Beers, the South African diamonds giant, which has announced plans to spend $50 million on exploration. Negotiations are also advanced with Russian, Brazilian, Canadian, Australian and Malaysian mining interests.

Government company

The first diamonds were found in northeastern Angola in 1912. Portuguese and Belgian interests founded the Companhia de Diamantes de Angola (DIAMANG), which dominated the colonial period. Diamonds were Angola's main export until the coffee boom in the late 1940s and the rise of the oil industry. Diamond production reached a height of 2.4 million carats in 1971.

The industry almost collapsed during the critical times that accompanied independence but gradually recovered. In 1980, production was almost 1.5 million carats. Spreading conflict caused a decline, and by 1986 output was down to 266,000 carats.


G. BERNARDI/HOA QUI

The process of separating diamonds.

This prompted the government to reorganize the industry. DIAMANG was dissolved, and a state company, ENDIAMA, which had been set up in 1981, assumed a leading role, signing service contracts with foreign companies to undertake mining operations in areas that could be defended, and conducting mining operations itself.

Production revived, reaching 1.24 carats in 1992. UNITA's occupation at the end of 1992 of the main mining areas in the Cuango valley seriously interfered with official production, which slumped to 46,000 carats in 1993. The prospects of permanent peace have raised hopes for vastly increased production figures. The official figures for diamond production and exports do not take account of smuggled diamonds. Some estimates put unofficial diamond exports at almost $500 million in 1992.

The large flow of smuggled diamonds out of Angola was an important threat to the market-stabilization role played by De Beers's Central Selling Organization, which controls about 80 percent of the world trade in rough diamonds. This was a factor in the decision by De Beers to take an active part in investment and diamond exploration in Angola.

Other minerals

With substantial deposits of gold, iron ore, phosphates, manganese, copper, lead, quartz, gypsum, marble, black granite, zinc and several other metals, Angola has been described as one of the world's biggest and least developed mineral treasure troves.

The government has developed a policy framework to encourage investment in mining. It has ended the state monopoly on geological studies and mineral prospecting, and it will grant concessions to foreign and national companies for prospecting and production. ●

COFFEE LEADS THE REHABILITATION OF AGRICULTURE

Overseas investors are invited to participate in Angola's privatization plans.

Until 1975, Angola was the fourth-largest producer of coffee in the world. The country's annual output averaged more than 200,000 tons. The coffee was grown in the northwestern provinces by Portuguese settlers and African farmers.

When war began in 1975, the large coffee estates were abandoned by their owners and managers, the migrant labor on which production depended was no longer available and the marketing structure collapsed with the departure of the Portuguese bush traders.

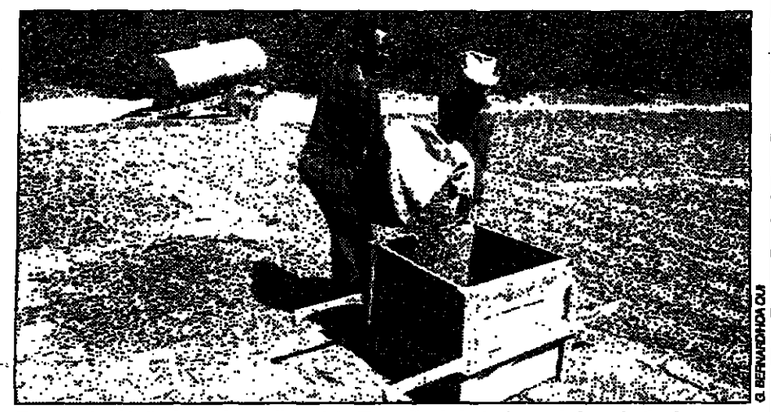
To keep the industry going, the government confiscated the abandoned plantations and consolidated them in the 1980s into 33 state enterprises. In 1993-94, production is estimated to have been only 2 percent of what it was in the early 1970s.

Liquidation

Government efforts and the arrival of peace have brought about a revival. Output is reported to have doubled in 1995-96. Production during the 1996-97 season is put at 8,000 tons, and 120,000 tons is forecast for 1998-99.

Angola has submitted a two-year overhaul plan to the International Coffee Organization. The government has also put in place technical support teams to assist coffee producers.

Under a privatization program, the government is liquidating all 33 state-owned coffee companies. The smaller plantations (up to 500 hectares, or 1,236 acres) have been sold to Angolan farmers, negotiations began in 1992 on the medium-sized plantations (500-1,000 hectares) and international investors have been invited to bid for the largest plantations.


G. BERNARDI/HOA QUI

Two men tend to the beans in a coffee estate. The coffee industry is now being privatized.

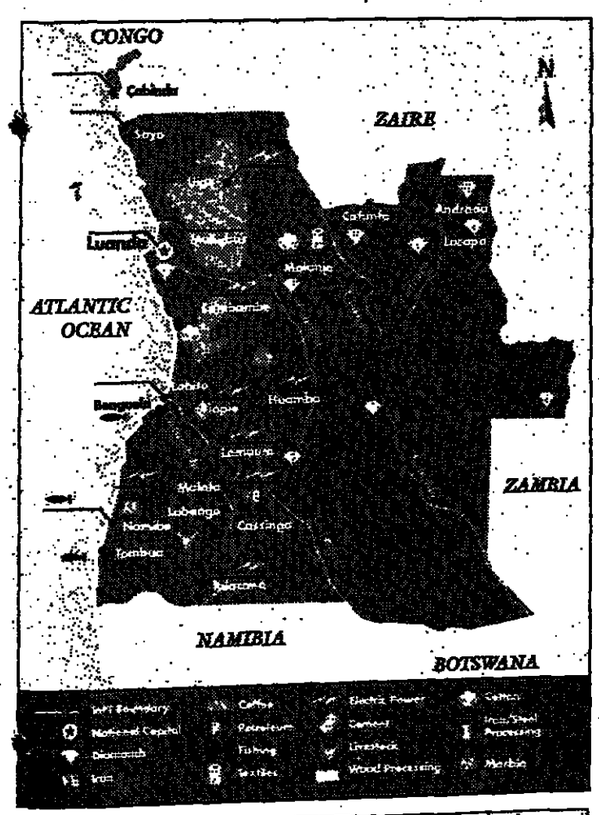
Other crops

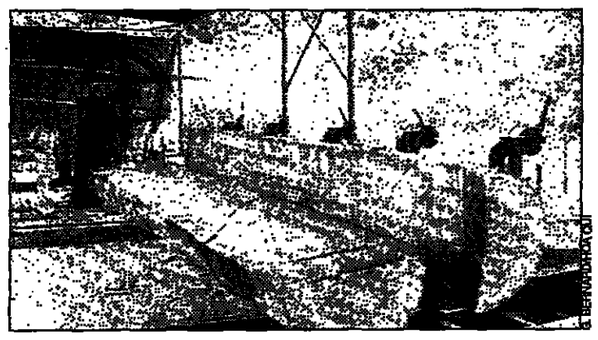
Before 1975, Angola was self-sufficient in most food crops and a leading producer of such commercial crops as sisal, palm oil, bananas and sugar cane.

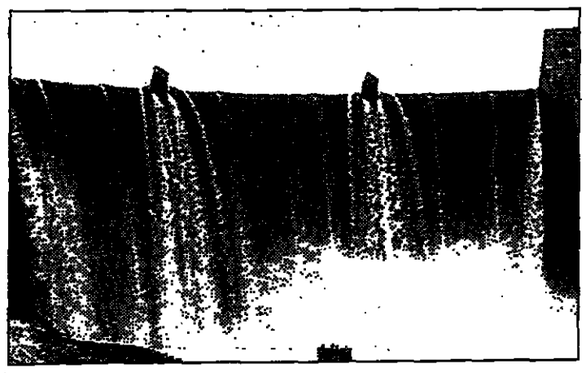
Angola's highlands have been described as potentially among the richest in the world for agriculture. With only 3 percent of its 8 million hectares of arable land under cultivation, the opportunities for investment and development are enormous.

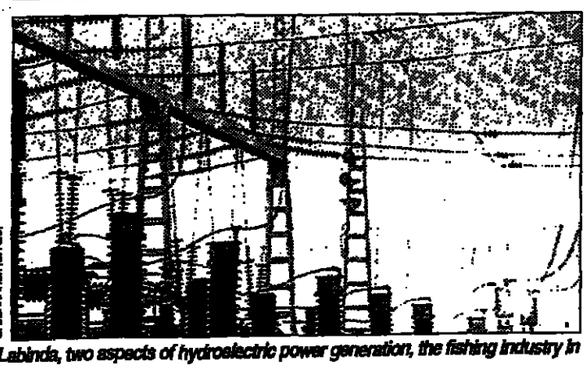
Under a new agricultural strategy, Angola has removed most price controls and set up a rural credit program to help farmers.

The country has a diverse climate, and the wide variety of tropical and semitropical crops that can be cultivated include cassava, maize, sorghum, cotton, citrus, yams, millet, beans, rice, sunflowers and tobacco.









G. BERNARDI/HOA QUI

(Clockwise from top left) Natural resources as seen on a map, a timber mill in Labinda, two aspects of hydroelectric power generation, the fishing industry in Mocamedes.

MULTIPLE INDUSTRIES BECKON

The development that will accompany the consolidation of peace offers many opportunities for investors:

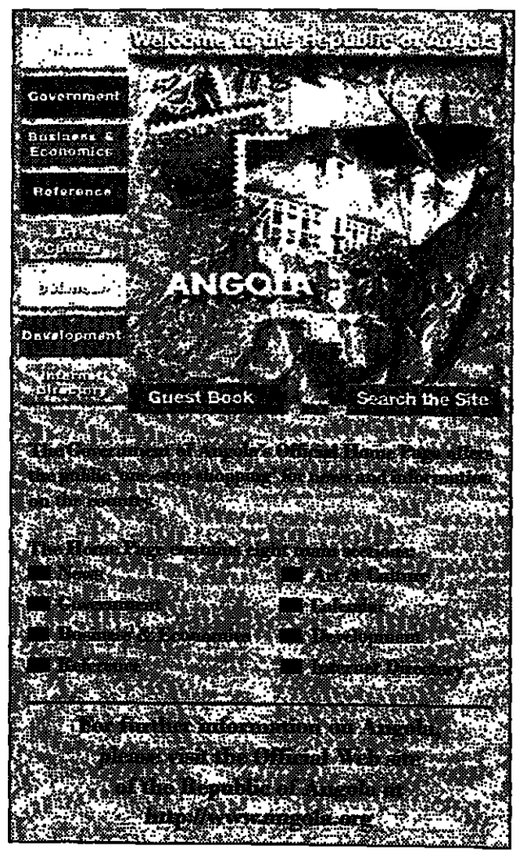
Fisheries. Angola's coastline is rich with mackerel, tuna, shellfish and sardines. Prewar annual catches amounted to nearly 600,000 tons. Under the privatization program, most state-owned fishing companies have been sold.

Power generation. The 520-megawatt Capanda hydroelectric dam is Angola's biggest development project. Costing between $1.5 and $2 billion, it is due for completion in the late 1990s. With many powerful rivers, Angola has the potential to become a major regional exporter of hydroelectric energy.

Telecommunications. Angola is taking part in the $1.6 billion Africa ONE project, which will ring the continent with a 39,000 kilometer (24,234 mile) undersea fiber optic cable system. Other potential investments are the digitalization of the network in Luanda, creation of a mobile telephone service and improvements to the earth station in Cacuac.

Banking. Legislative reforms were introduced in 1991 to establish a more diversified and efficient banking system and to allow foreign banks to open branch offices in Angola. U.S., Portuguese and French banks are taking advantage of this opportunity.

Manufacturing. Before 1975, Angola's manufacturing sector included 4,000 companies, employed 200,000 people and produced $650 million of goods annually. A resurgence is now taking place in food processing and the production of textiles, soap, shoes, matches, paint, plastic bottles and glues. Heavy industry includes the production of cement, tires and steel tubes. ●



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Herald Tribune INTERNATIONAL
SPORTS
WEDNESDAY, MAY 14, 1997

WORLD ROUNDUP

Courier Beats Sampras

TENNIS Jim Courier knocked out Pete Sampras, the World No. 1, Tuesday in the first round of the Italian Open in Rome. Courier won, 7-6 (7-5), 6-4. It was the second clay court tournament in a row where Sampras had gone out in his first match. He was beaten by Sweden's Magnus Larsson at Monte Carlo last month in his opening clay tournament of the year after a first round bye.

The World No.2, Michael Chang also lost in straight sets. He fell, 6-3, 6-2, to Hernan Gumy of Argentina.

• Steffi Graf, playing her first match after three months out with a knee injury, struggled to a three-set victory Tuesday over the American Chanda Rubin at the German Open in Berlin, 6-3, 3-6, 6-1. *(Reuters)*

Collymore Joins Villa

SOCCER Stan Collymore, a sometime England international striker, signed for Aston Villa from Liverpool, a fellow Premier League club, on Tuesday for £7 million ($11.4 million). Liverpool paid Nottingham Forest £8.5 million, an English record at the time, for Collymore in July 1995. *(Reuters)*

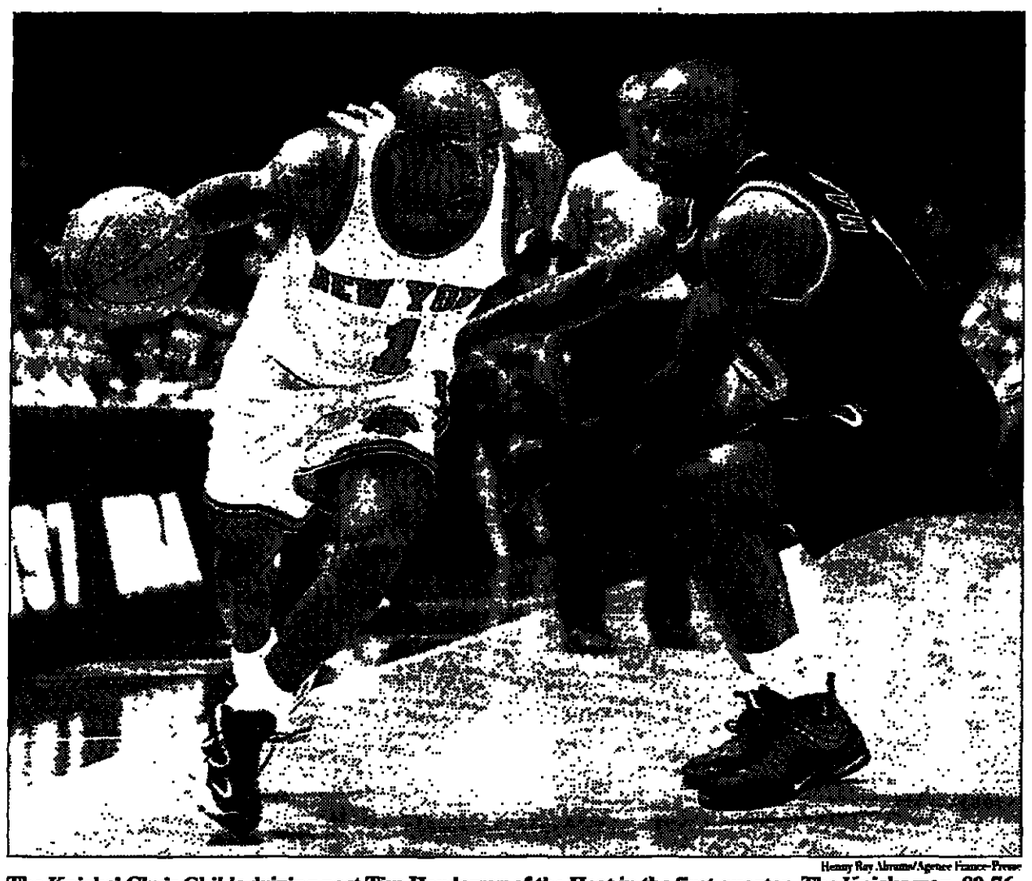
Offside Rule Put on Ice

ICE HOCKEY The International Ice Hockey Federation plans to scrap the center-ice offside rule after the Nagano Winter Olympics next year.

Removing the center ice line, which a player cannot cross before receiving a pass from his own end, will create more space in the neutral zone. "We will discuss this rule change with the NHL and perhaps they will follow us; I hope so," said Philippe Lacarriere, of the International Ice Hockey Federation. "We're trying to make the game more offensive, more attractive.

Canadian officials said they fear the change will leave their teams at a disadvantage internationally since they have no plans to implement the rule in any of their national leagues.*(Reuters)*

• The Washington Capitals fired General Manager David Poile one month after the team missed the playoffs for the first time in his 15-year stay. The Capitals went 594-454-132 under Poile, but even when they made the playoffs they were a disappointment. *(AP)*



Henny Ray Abrams/Agence France-Presse

The Knicks' Chris Childs driving past Tim Hardaway of the Heat in the first quarter. The Knicks won, 89-76.

Fleet-Footed Jazz Eliminate the Lakers

Shaq-less Los Angeles Falls in OT

Compiled by Our Staff From Dispatches

SALT LAKE CITY — Utah's 30-year-olds have earned four days off before the Western Conference finals begin. The Jazz held off the Los Angeles Lakers, 98-93, in overtime Monday to win their Western Conference semifinal four games to one.

The Lakers had to play the extra period without Shaquille O'Neal, who had fouled flagrantly and often, and the offense was left in the itchy palms of an 18-year-old.

NBA PLAYOFFS

Kobe Bryant shot four air balls in the final six minutes of the game, and Karl Malone — bad back and all — hit a key overtime jump shot with 1:28 remaining to give the Jazz the victory.

Utah's pick-and-roll offense had the last laugh.

The Jazz do not have all of that ball movement for nothing, which is why an irritated O'Neal decided to take matters into his own hands, or forearm.

Malone was on his way up for another third-quarter layup when O'Neal put a heavy right arm to Malone's jaw. Malone (32 points, 20 rebounds) landed on the small of his back, and the referees called a flagrant foul.

The Lakers' Robert Horry was then ejected for throwing his own forearm shiver at Utah guard Jeff Hornacek.

Meanwhile, Malone stopped scoring.

The Utah lead grew to 13 points (66-53), but Los Angeles used a 16-2 run to grab the lead in the fourth quarter, 69-68. After his spill, Malone was not the same agile power forward, and the Lakers — having scored on seven straight possessions — led by 87-84 with two minutes left in regulation.

Bryon Russell's circus double-pump jump shot for the Jazz tied the game at 87-87 just after O'Neal fouled out with 1:46 remaining.

Jerome Kersey and John Stockton (24 points, 11 assists) exchanged layups, and after Greg Ostertag blocked Eddie Jones's scoop, Malone had his chance to end it in regulation.

But his 12-footer found the rim, and Ostertag fumbled the rebound that gave Los Angeles a chance to win it with 11 seconds left.

Bryant shot an air ball at the buzzer on an impossible fadeaway, and the Lakers had to go into overtime without their he-man, O'Neal.

"There's an old saying, 'Before you succeed, you must learn how to fail,'" O'Neal said, "and I just hope that I don't fail too many more times. I'm getting tired of going home early."

The Jazz will play the winner of the Houston-Seattle series in the Western finals. The Rockets led 3-1 going into Game 5 Tuesday night.

"It's going to be a dogfight," Stockton said. "In the Western Conference championship, you can't expect anything less."

Malone had only 13 points in the second half yet continued to be the referee's pet.

Proving that Michael Jordan's rules apply to him too, Malone shot 67 free throws in this five-game series, but he also has some bruises to show for it — based on O'Neal's body slam on him Monday night.

On the other hand, O'Neal said before the tip-off that Malone, of all people, was the strongest man in the league.

"On a scale of 1 to 10, he's a 9.899," said O'Neal. "Anthony Mason, he's strong, too. He's a 9.87."

Does he rate himself?

"I'm a 9.758," O'Neal said. Malone's lower back will vouch for that. *(NYT, AP)*

The Old Knicks Are Far Too Quick for Wilted Heat

By Anthony Cotton
Washington Post Service

NEW YORK — When he left New York for Miami two seasons ago, Pat Riley surely must have believed that he could better the system he developed during his coaching tenure with the Knicks. But the new breed Heat hasn't been able to cope with the prototype.

The Knicks' 89-76, Game 4 victory on Monday night gave them a commanding 3-1 lead in the Eastern Conference semifinal series and capped a miserable two days for the Heat, for which 61 regular season wins seem but a distant memory.

"This is playoff basketball — if you don't want to deal with it then get out of here," said John Starks, the Knicks' guard, who scored a game-high 21 points.

Sitting courtside, the New York Rangers star Wayne Gretzky must have wondered if a hockey game had broken out at Madison Square Garden. There was only an occasional basket interspersed among the body-slamming and elbowing that took place.

The Heat, which set a franchise playoff scoring low in Sunday's 77-73 Game 3 loss, threatened to dip even lower Monday night, with only a late-game, garbage-time flurry saving it from further embarrassment.

Miami shot 38 percent. From the free-throw line the team made 18 of 32 attempts (56 percent). The Heat also had 21 turnovers in falling behind by 20 points and now must win Game 5 Wednesday in Miami to stave off elimination.

New York manhandled the usually tough-minded visitors — both mentally and physically.

Under Riley, Miami has prided itself on its indomitable spirit.

With the older New York Knicks, such as Patrick Ewing and Charles Oakley, having to take on the young lions such as Alonzo Mourning, Tim Hardaway and Jamal Mashburn without the luxury of a day's rest the odds seemed to favor Miami. But it was the Heat that wilted.

"I thought the back-to-back games favored us because our bench is better," Starks said.

Dan Majerle played 27 minutes in Game 3 but, the 31-year-old veteran guard didn't get off the bench until less than three minutes remained in the third quarter.

Riley said it was because Majerle couldn't keep pace with the quicker Knicks who frequently had three guards on the floor.

"We're having trouble guarding their quickness on the perimeter," Riley said.

"We're trying to find some matchups that can guard their guards."

Mashburn in particular was exposed because he was unable to keep close to the Knicks' guard Allan Houston, who scored 17 points, including 10 in the decisive second quarter.

The defenders assigned to guard Starks didn't fare any better.

Starks entered the game averaging just over six points in the previous three contests, shooting 21 percent. On Monday night, however, the veteran made 9 of 12 attempts.

Also, Ewing continued his strong play, scoring 20 points, and Larry Johnson added 15.

Hardaway led Miami with 14 points, but the all-star made just four field goals.

Mourning suffered through a tough night, making 5 of 16 shots and fouling out with five minutes to play.

PLAY: *With Blacks Dominating NBA, Some Whites Complain of Racism*

Continued from Page 1

competitive summer pick-up games in black neighborhoods because no one will choose them. Some black players talked of being big stars on the court but feeling underrepresented in the ranks of team management.

"There's not that equality in the front office," said Grant Hill, the Detroit Piston forward. "So we don't really dominate the game."

For many white players, the NBA is an entry point to deeper racial understanding.

"It's a great experience for a white player in the NBA because you see life through other people's eyes," said Steve Kerr, a three-point shooting specialist with the NBA champion Chicago Bulls. "You see what it's like to be the minority at times."

Geiger still remembers a Miami shopping spree with two former Miami Heat teammates, Keith Askins and Bimbo Coles — neither a recognizable star — in which sales clerks treated the black players as though they didn't exist. "To be there and really see the looks on their faces and to have us talk about it later in the day, it just gives you an understanding of what it's like," Geiger said.

But white players also realize they operate in an unusual environment.

"In the real world, you're not going to have 12 guys — 10 black and two white — travel together seven, eight months out of the year," said Scott Brooks, the only white player on the New York Knicks. "We do everything together."

At the same time, added Kerr, "we live in sort of a utopian society where everybody is doing well financially. And you don't have the same sort of racial resentment and competition that you have a lot in the working world."

SOME white players said their association with black players in the NBA had heightened their empathy for those who face discrimination and had helped them drop preconceived notions about blacks. Others said they felt constant pressure to prove they belonged in the league. Some clearly struggle with the decline of white superstars.

Jon Barry, a reserve guard with the Atlanta Hawks, is one of five Barrys to become big-time basketball players. His father, Rick, a Hall-of-Famer, was one of 18 whites picked by the NBA among its 50 greatest players. But when approached about the status of white players in the league, the younger Barry responded: "You mean the dying breed?"

Only four white players were among the 24 stars the fans and coaches picked to play in this year's All-Star game. No white player finished the regular season among the top 15 scorers or 10 leading rebounders. Just one — John Stockton, the Utah Jazz point guard — was among the top 20 assist leaders.

White players did finish first in the league in free-throw shooting, field-goal percentage and blocked shots. The Jazz, who beat the Los Angeles Lakers on Monday to reach the last four in the NBA playoffs, are the only team in the league to have a majority-white starting unit.

For many young white athletes, the league has become a stagnant slice of the job market. If the league names a "50 greatest" team from 1990 to the year 2000, Jon Barry said, "there are not going to be many white guys on that team."

The exception to the trend is the crop of Eastern European players — Gheorghe Muresan of the Washington Bullets, Toni Kukoc of the Bulls and Dino Radja of the Boston Celtics.

Why has the number of white players dropped so noticeably?

"Maybe with more blacks in the league, a lot of them are inner-city kids and that's all they do," said Jon Barry. "I think maybe the suburban types or the white people have more things to do. If you're in the inner city, those guys go play ball from 9 in the morning to 9 at night."

That explanation doesn't account for such players such Hill and Dennis Scott, blacks reared in the suburbs, but it was a common piece of sideline sociology among white players. Christian Laettner, a white player with the Atlanta Hawks, however, took exception to Barry's thesis that white youths with more options don't work on developing their games as much as black youths do.

"The white kids are still trying as hard as they've ever tried," Laettner said. "They're probably trying now harder. I work camps in the summer, it's all white kids."

To star in the NBA these days, Laetner said, a player has to be tough, durable and most important, athletic.

"And it seems the people who can be really athletic and really good once you get to the higher levels, more and more it seems to be the black group," he said. "That's just the way it is."

White players often wonder whether they get picked on simply because they are white. Laettner doesn't think so in his case, but his antennae are up for any hint of on-court disrespect — such as someone trying to dunk on him to make a statement.

"They may try, they may want to," he said, but "I'm not going to let anybody, black or white, dunk on me."

WHILE Laettner has gradually earned respect around the league, many white players have not. The New Jersey Nets' center, Jack Haley, who at 6 feet 10 and 242 pounds (2.08 meters and 110 kilograms) is unimposing by NBA standards, epitomizes what some black players claim is an informal policy on many teams: reserving spots for white players of marginal skill.

Haley was selected by the Chicago Bulls in the fourth round of the 1987 NBA draft. He spent a season in Spain and has since shuttled between NBA teams, never logging many minutes. His most prominent role was as the towel-waving, bench-riding teammate of Dennis Rodman in the '93-'96 seasons, the unofficial explainer of Rodman's mood swings.

Ask Buck Williams, the veteran Knicks forward, if there are white players in the league simply because of their race and Williams, president of the National Basketball Players Association, doesn't hesitate.

"Yes, there's no question," he said. But he adds: "I think diversity is a good thing. I think we should have more diversity in corporate America."

The NBA, with only 348 jobs for players, provides an interesting twist to the affirmative action debate. In the larger society, high-achieving blacks often feel as though their success is under a microscope.

"It's reverse in our industry," said Williams, who is black. "If you come in as a white ballplayer it's taken that you're a token, whereas in corporate America we're looked at as tokens."

Wes Unseld, the general manager of the Bullets, is asked the classic affirmative action question often applied to blacks in the work force: If you had to choose between two players of equal skill who play the same position and you had no white players on your roster, would you choose the white player?

"I think you would think about that," said Unseld, who is black. "I could say that I wouldn't, but I'm sure that I would."

In 1980, Ted Stepien, then the owner of the Cleveland Cavaliers, publicly voiced the long whispered view that maintaining a quota of white players on teams was good for business. "I think the Cavs have too many blacks, 10 of 11," he said, eliciting a rebuke from the league office. "You need a blend of white and black. I think that draws, and I think that's a better team."

Chris Childs, the Knicks' point guard, who is black, said it should come as no surprise that race drives some personnel decisions — even in the NBA. "Is there racism in America?" he said. "Then, that's the answer to that question."

Rex Chapman, the Phoenix Suns' guard, who is white and set an NBA record with nine three-point baskets in a playoff game, is not so sure. "I think it boils down to who can play and who can't," he said. "If a white guy can play, just as if a black guy can play, there's a place for him in the NBA."

The NBA may soon have to confront the same diversity questions that other industries face, says Frederick Lynch, a professor at Claremont McKenna College in California who has written widely on affirmative action.

"What if you produced team after team after team that is all black?" he asked. If "you never saw white players on the court, I think little red flags would go up in the front office. It would trigger questions from the public: 'Why is that?'"

THE CONCERNS were different in 1950, when the Boston Celtics made Chuck Cooper, a star at Duquesne University, the first black player drafted by an NBA team. Early black stars, like Bill Russell, performed spectacularly on the court, then walked outside the arena and found they couldn't use the same restrooms as their white teammates.

"It was tougher being a black player then, than it is being a white player today," said Red Auerbach, the former Celtic coach, now vice chairman of the team. "It's as simple as that. We went into some cities where you couldn't get food."

Today, even as some white players struggle to remain in the league, they "are still in the majority in society," said Art Taylor, associate director of Northeastern University's Center for the Study of Sport in Society. "So they can go out places and look up in the stands and the majority of the people they see look like them."

Still, though black players are the major stars in a league in which the average salary is $247,500, many feel little sense of empowerment.

"Why are there more white coaches in the NBA than black coaches?" asked Juwan Howard, a Bullets' player whose seven-year, $105 million contract makes him one of the highest-paid players in the league. "That's a point that I try to bring across. Same with ownership and general managers."

Seven of the NBA's 29 teams ended the '96-97 regular season with black head coaches; Johnny Davis of the Philadelphia 76ers has since been fired, and the Celtics' M. L. Carr, who remains a team executive, stepped down.

Isiah Thomas, the Toronto Raptors general manager, has just signed a deal to become the first black to own a majority share of an NBA club.

According to the latest "racial report card" produced by the Center for the Study of Sport in Society, the NBA has made more progress integrating its management ranks than any other major sports league. Last season, 28 percent of the people running the day-to-day operations of NBA franchises were black, compared with 13 percent in the National Football League and 4 percent in Major League Baseball.

If blacks sometimes believe their careers are confined to the court, whites sometimes feel their on-court success is hampered by tough-to-beat stereotypes.

Some call it the extra pressure of being white.

"Oh, yeah," said Rex Walters, a 6-foot-3 guard with the Philadelphia 76ers. "The perception is different of a white guy. The first thing you think of with Rex Walters is I'm a shooter. The first few years in the league I tried to fight that. I tried to show my athleticism. But then I just accepted it. Being a white guy, you're expected to be able to shoot the ball."

Tim Legler of the Bullets can shoot the ball. Last season, he led the league in three-point shooting and won the three-point contest at the All-Star Game.

But the rap on Legler is that he's not quick enough, a defensive liability, he complained: "You can stop your man nine times in a row and if on the 10th time your man gets around you and dunks on you, you're too slow. It's a form of labeling that goes around in the league."

Even in the milieu of millionaire athletes, race is a complicated thing. Legler tells this story:

When Quinn Buckner took over as coach of the Dallas Mavericks before the start of the 1993-94 season, he relegated Legler to the end of the bench. "He came in immediately and didn't have respect for me," said Legler, who in the previous season had been given more playing time.

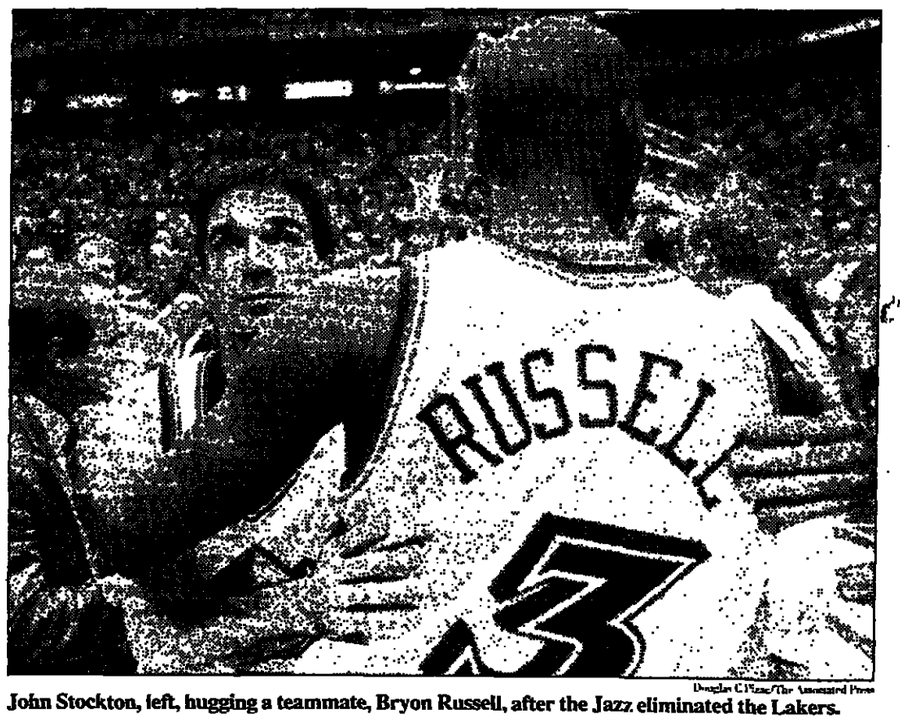
From Legler's perspective, Buckner, who is black, made an instant, unflattering judgment about a white player. Legler also said Buckner didn't communicate well with him and the team's other white player, Greg Dreiling.

After a practice session before a game in Los Angeles, Buckner asked Legler and Dreiling to get off the team bus. Legler later learned Buckner wanted to dress down some of the black players about using offensive language, but never understood why the white players were excluded.

Buckner would not comment on that episode, but said Legler's conclusion that his race affected his standing with the Mavericks is "so far off base it's unbelievable — I don't do anything based on race." Legler's role was reduced, Buckner said, because the team's chemistry changed and other guards became larger factors.

After all he has been through, Legler is thrilled just to be in the league. Six years of toiling intermittently in the Continental Basketball Association, the NBA's way station, can give you perspective.

But sometimes perspective can have a twist. To anyone who has followed the debates about diversifying the work force, Legler's conclusions have a familiar ring. "I've always contended that one of the most difficult things to do is be white and make it in the NBA," he said. "The decks are stacked against you."



Douglas C. Pizac/The Associated Press

John Stockton, left, hugging a teammate, Bryon Russell, after the Jazz eliminated the Lakers.

Angels Get 'Pickup' in 13-Run 7th

The Anaheim Angels tied a team record by scoring 13 runs in the seventh inning as it beat the Chicago White Sox, 16-8. Anaheim had 11 hits in the inning, with four players getting two.

Each of the first seven players in the Angels batting order had at least one run batted in in the seventh inning

BASEBALL ROUNDUP

Monday ... came to the plate. ... DiSarcina, Darrin Erstad, ... Hollins and Jim Leyritz ... had two hits in the inning.

"It's one of ... innings where the ... DiSarcina said. "Guys were ... excited. ... it's definitely ... for the whole ...

The Angels ... a five-game ...

Orioles 5, Athletics 1

Jimmy K... in Tuesday's ... first seven ... the major ... retired the ... fore allowing ... doubles by R... and Jose ... fourth. K... his Am... earned-run ... did not ... batter.

Brewers 5, Mariners 6 (10)

Milwaukee ... won for ... Sept. 21 ... their fifth ... scored seven ... fourth, then ... D'Amico ... Ken Griffey ... and Rob D... rifled from ... burst from ... Griffey ...

SCOREBOARD

BASEBALL

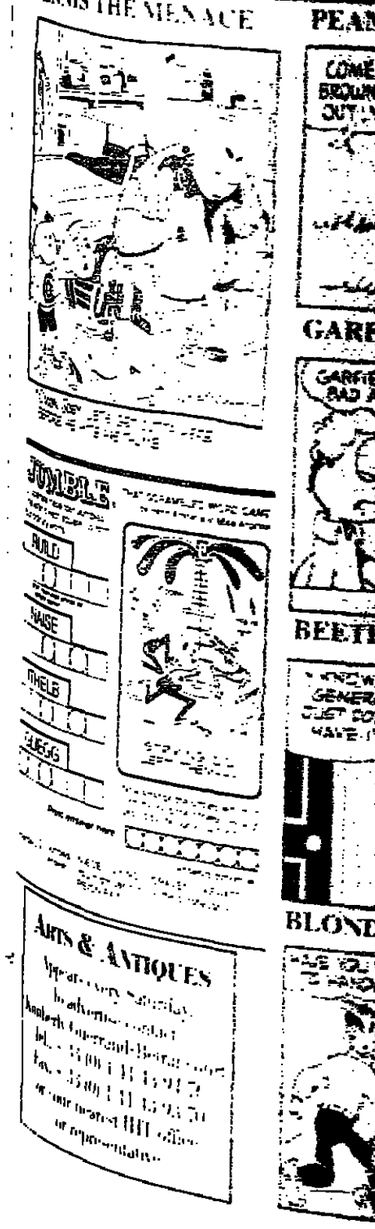
MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

	W	L	PCT	GB
Baltimore				
New York				
Toronto				
Boston				
Detroit				
Minnesota				
Kansas City				
Cleveland				
Chicago				
Anaheim				
Texas				
Seattle				
Oakland				

NATIONAL LEAGUE

	W	L	PCT	GB
Atlanta				
Florida				
Montreal				
New York				
Philadelphia				
Houston				
Pittsburgh				
St. Louis				
Cincinnati				
Chicago				
Milwaukee				
San Francisco				
Los Angeles				
San Diego				
Colorado				



SPORTS

Angels Get 'Pickup' in 13-Run 7th

The Associated Press

The Anaheim Angels tied a team record by scoring 13 runs in the seventh inning as it beat the Chicago White Sox, 16-8. Anaheim had 11 hits in the inning, with four players getting two.

Each of the first seven players in the Angels' batting order had at least one run batted in the seventh inning

BASEBALL ROUNDUP

Monday as 18 men came to the plate. Gary DiSarcina, Darrin Erstad, Dave Hollins and Jim Leyritz each had two hits in the inning.

"It's one of those innings where the hitting is contagious," DiSarcina said. "Guys were getting excited. It's definitely a pick-me-up for the whole team."

The lopsided victory ended a five-game losing streak.

Orioles 5, Athletics 1 Jimmy Key allowed six hits in 7⅔ innings to become the first seven-game winner in the major leagues. Key (7-0) retired the first 10 batters before allowing consecutive doubles by Rafael Bournigal and Jose Canseco in the fourth. Key, who improved his American League best earned-run average to 1.82, did not walk or strike out a batter.

Brewers 9, Mariners 8 At Milwaukee, Jeff D'Amico won for the first time since Sept. 21 as the Brewers won their fifth straight. Milwaukee scored seven runs in the fourth, then barely survived. D'Amico gave up homers to Ken Griffey Jr., Jay Buhner and Rob Ducey, but he benefited from the seven-run outburst from his teammates.

Griffey's homer was his major league-leading 16th.

Rangers 4, Indians 2 Will Clark homered twice, and Benji Gil and Lee Stevens also homered for host Texas.

Twins 12, Blue Jays 2 Minnesota avoided the longest home losing streak in franchise history as Greg Myers went 4-for-5 and scored four runs and Greg Colbrunn also went 4-for-5.

The Twins, whose nine-game Metrodome losing streak equaled the mark set at Metropolitan Stadium during the 1961-62 seasons, set a season scoring high as they won for just the fourth time in their last 19 games.

In National League games:

Marlins 11, Astros 4 Florida came from behind to beat Houston. The Marlins went 5-3 on their home stand.

Their 17-5 home record is the best in baseball, but they are 4-11 on the road, where they play 10 of their next 12 games.

Relievers Rob Stanifer and Felix Heredia singled for their first major-league hits, and Florida tied a season high with 14 hits against Houston. The Marlins came back after trailing 3-1 early in the game.

Stanifer allowed one run in 2⅔ innings to win his first major league decision. The 25-year-old rookie also singled in his first big-league at-bat and scored on a two-run double by Bobby Bonilla in the sixth.

The weather limited the crowd to 15,342, the smallest of the year in Miami. Showers delayed play for 1 hour, 38 minutes in the fourth inning, and only a few hundred fans remained for the final innings, played in light rain.

Braves 10, Pirates 2 Chipper Jones homered and Greg Maddux hit a two-run double as visiting Atlanta beat Pittsburgh for the third day in a row.

Jones had a homer, double and single in his first three at-bats.

Maddux (4-1) was 0-for-17 until his double in the fifth. He was lifted with a nine-run lead after giving up a run and striking out seven in five innings. He lowered his earned run average to 1.57.

Rockies 9, Phillies 2 Dante Bichette hit a two-run homer and a two-run double as Colorado stopped its season-high five-game losing streak.

Larry Walker had two hits to increase his league-leading batting average to .404. He drove in two runs to give him 39 runs batted in, also tops in the NL.

Tom Mihalek/Agence France-Presse

The Colorado Rockies' Jason Bates sliding into second base, too late, as the Mickey Morandini of the Philadelphia Phillies wound up to try for a double play.

Big Days for Players and Lawyers

International Herald Tribune

LONDON — In the spring, a young man's fancy turns to the nectar of triumph. In soccer this means a cup that is the reward, for the few, for nine months' labor.

This week has two coveted peaks. In Rotterdam, either Barcelona or Paris Saint-German will lift the European Cup Winners Cup on Wednesday. In London on Saturday, Chelsea or Middlesbrough will sip from the oldest trophy of all, the FA Cup. Cup finals put the striving, the emotion, the romance of sport in the TV shop window; you win or you lose; you end up fulfilled or empty.

Even preparation can be bitter-sweet. On Monday, Barcelona's players were among 350 passengers evacuated from an Iberia plane scheduled to Rotterdam because of a phoned warning of a bomb on board. No bomb was found.

Police suspect the culprit was a fan of Real Madrid, which lost an ugly league contest, 1-0, in Barcelona on Saturday. Ronaldo scored that goal, his 32d of the season. He could be the match winner again on Wednesday.

If not, then maybe Patrice Loko, the best finisher that Paris can afford, will end it all, and make PSG the first team to capture the Cup in successive seasons.

Loko will follow this final by appearing in court charged with assault on police and drunken vandalism in 1995. He is thus in the dock just like an archetypal soccer hooligan.

This week another trial started in France: that of 20 men, including Bernard Tapie, accused over the Olympique Marseille frauds of seven years ago.

In matters of sport and the law, the only winners are lawyers. Yet England's Cup Final is blighted by the threat that Middlebrough will go to court if it loses to Chelsea.

What should have been a classic Cup tie, embellished by the contest between Boro's impish Brazilian playmaker Juninho and Chelsea's artful Italian attacker Giancarlo Zola, is weighed down by legal foreboding.

Middlesbrough has spent $50 million to import world stars to a northeast English port. That gamble has propelled Boro to the first FA Cup final in its 120 year history.

However, the club is also going down, relegated from the Premier League. The foreign stars, Juninho exempted, have been unreliable; the Cup inspires them, the physical plod of English league marathons dulls them.

If Middlesbrough, the underdog, wins the Cup, then *maybe* Juninho will stay. He has showntenacity for the cause, as well as hypnotic skills, but unless Boro has the promise of the Cup Winners Cup season, the offers to tempt him away — from Atletico Madrid, perhaps from Parma, from Manchester United and others — could be irresistible.

The club's other two big names, Emerson and Fabrizio Ravanelli, are simply not expected to stay loyal to their contracts. Against this embittered background, Middlesbrough is thinking of suing the Premier League.

The league punished Middlesbrough by deducting three points for failing to fulfill a fixture in Christmas week. Last Sunday, Middlesbrough was demoted, by two points. Middlesbrough argues that it had 23 players ill, injured or unavailable for a match at Blackburn, and was entitled to pull out at two days' notice.

Indeed, Boro claims that someone at Premier League headquarters "actively encouraged" the cancellation and gave telephone approval. The club squandered $50,000 engaging England's most expensive courtroom lawyer to argue its case for a day, but a Premier League tribunal rejected the plea.

The fact is that Middlesbrough's team, through careless inconsistency, forfeited the right to stay in the top grade.

"Our team did not show the fighting spirit to stay up," said Gianluca Festa, an Italian defender who joined the team after Christmas.

Should Middlesbrough win back in court what was lost on the field, Coventry City, the team that would be relegated in its stead, would take its case to law. There would be no end to it.

What Middlesbrough attempted in December was to escape the madness of an English tradition demanding three league matches in six days by each club. The customers flock to it, the coffers fill, the players stand or fall.

Middlesbrough canceled the trip to Blackburn, enabling its stars, miraculously full of running, to beat Everton two days later. That, significantly, was Boro's first victory in three months. You might argue that Middlesbrough *profited* by three points.

Ultimately, Middlesbrough played Blackburn while clearing a backlog of games in the last week of the season. It drew, and ended up with minus one point from the game: two points lost, demoted by two points.

The club feels victimized. Legally, there might be a point. Morally, there is none. It will just have to win the Cup and take the medicine.

Rob Hughes is on the staff of The Times of London.

Vantage Point / **Rob Hughes**

Canadians Level World Hockey Final

Reuters

HELSINKI, — Canada beat Sweden, 3-1, on Tuesday to force a deciding game in the best-of-three gold medal final at the ice hockey world championships.

Geoff Sanderson put Canada ahead with a freak goal midway through the second period. Per Eklund leveled on a power-play less than two minutes later, but Anson Carter finished a sweeping Canadian attack with a close-range slapshot to restore the lead near the end of the period. After that Sean Burke held off the Swedes.

Travis Green set up the first goal. He swung around behind the Sweden net and then snapped a wristshot off Salo's mask. The puck deflected across the face of the goal to the far side of the crease where Sanderson was battling for position. The puck hit a raised stick, apparently Sanderson's and plopped into the net.

Mark Recchi, of the Montreal Canadiens, added an insurance goal early in the third when his weak wrist shot drifted between Salo's pads.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Baltimore	24	11	.686	—
New York	21	14	.548	4
Toronto	19	16	.543	5
Boston	15	20	.429	9
Detroit	15	21	.417	9½

CENTRAL DIVISION

	W	L	Pct.	GB
Milwaukee	19	14	.576	—
Kansas City	17	17	.500	2½
Cleveland	17	18	.486	3
Chicago	14	20	.412	5½
Minnesota	15	23	.395	6½

WEST DIVISION

	W	L	Pct.	GB
Texas	20	14	.588	—
Seattle	21	15	.583	—
Anaheim	15	19	.441	5
Oakland	15	23	.395	7

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	26	11	.703	—
Florida	27	16	.568	5
Montreal	18	16	.529	6½
New York	19	18	.514	7
Philadelphia	13	23	.361	12½

CENTRAL DIVISION

	W	L	Pct.	GB
Houston	20	18	.526	—
Pittsburgh	19	18	.514	½
St. Louis	16	20	.444	3
Cincinnati	11	24	.314	7½
Chicago	10	25	.286	8½

WEST DIVISION

	W	L	Pct.	GB
San Francisco	21	13	.618	—
Colorado	22	14	.611	—
Los Angeles	20	14	.588	1
San Diego	14	20	.412	7

MONDAY'S LINE SCORES

AMERICAN LEAGUE

Cleveland	010 000 001—2	9 0
Texas	000 110 20x—4	5 1
L.McDowell, Plunk (7) and Alomar; Burkett, Wetteland (9) and I.Rodriguez. W—Burkett, 2-2. L—L. McDowell, 3-3. Sv—Wetteland (9). HRs—Texas, Stevens (6), Gil (2), Clark 2 (4).		
Seattle	200 011 112—8	12 3
Milwaukee	000 210 012—6	11 2
Wolcott, Sanders (4), McCarthy (8) and Mazzone; D'Amico, Fetters (8), D. Jones (9) and Matheny. W—D'Amico, 1-2. L—Wolcott, 2-2. Sv—D. Jones (9). HRs—Seattle, Ducey (1), Buhner (5), Griffey Jr. (16).		
Toronto	010 100 000—2	10 1
Minnesota	331 410 00x—12	20 0
Carpenter, Flener (4) and Santiago; Radke, Ritchie (8), Aguilera (9) and G. Myers. W—Radke, 3-2. L—Carpenter, 0-1. HR—Toronto, Carter (3).		
Baltimore	000 410 000—5	6 0
Oakland	000 100 000—1	5 1
Key, Benitez (8) and Holles; Karsay, Reyes (7) and Ga.Williams. W—Key, 7-0. L—Karsay, 0-4. Sv—Benitez (3). HR—Baltimore, Tarasco (1).		
Chicago	500 001 011—8	11 2
Anaheim	200 000 (13)1x—16	18 1
Darwin, Thomas (7), Levine (7), Castillo (7), Simas (7) and Karkovice; Watson, DeLucia (6), James (8), McElroy (9) and Leyritz. W—DeLucia, 3-1. L—Levine, 2-2. HR—Anaheim, Edmonds (5).		

NATIONAL LEAGUE

Atlanta	401 041 000—10	14 0
Pittsburgh	000 010 100—2	12 0
Maddux, Embree (6), Clontz (7), Borowski (8) and E. Perez; Schmidt, Sodowsky (5), Morel (7), Rincon (9) and Oslk. W—Maddux, 4-1. L—Schmidt, 1-2. HRs—Atlanta, Tucker (4), C. Jones (4).		
Colorado	402 030 000—9	14 0
Philadelphia	002 000 000—2	7 2
Swift, Burke (3), DeJean (6) and Manwaring; B.Munoz, Mimbs (3), R.Harris (6), Plantenberg (9) and Lieberthal. W—DeJean, 1-0. L—B. Munoz, 1-5. HRs—Colorado, Coles (1), Bichette (5). Philadelphia, Jefferies (2).		
Houston	102 000 100—4	10 2
Florida	010 512 02x—11	14 0
Reynolds, R. Springer (4), Lima (6), Martia (7), Hudek (8) and Ausmus; Rapp, Stanifer (5), F. Heredia (7) and Zaun. W—Stanifer, 1-0. L—Reynolds, 4-3. HRs—Houston, Gutierrez (1), D. Bell (2).		

AMERICAN LEAGUE LEADERS

	G	AB	R	H	Avg.
Roberts KC	31	108	16	42	.389
JuFranco Cle	31	110	17	40	.364
Justice Cle	34	120	24	43	.358
TMartinez NYY	37	149	31	53	.356
BeWilliams NYY	37	150	35	53	.353
Griffey Jr Sea	35	140	31	49	.350
FThomas ChW	34	121	23	42	.347
ByAnderson Bal	33	124	25	43	.347
GAnderson Ana	33	137	17	47	.343
IRodriguez Tex	32	134	21	46	.343
Leyritz Ana	28	102	22	35	.343

RUNS—BeWilliams, New York, 35; ARodriguez, Seattle, 32; Jeter, New York, 31; TMartinez, New York, 31; Griffey Jr, Seattle, 31; Thome, Cleveland, 28; Knoblauch, Minnesota, 27.

RBI—TMartinez, New York, 43; Griffey Jr, Seattle, 43; TbClark, Detroit, 39; CRipken, Baltimore, 31; Justice, Cleveland, 30; MaWilliams, Cleveland, 29; BeWilliams, New York, 28; JBell, Kansas City, 28; O'Neill, New York, 28.

HITS—BeWilliams, New York, 53; TMartinez, New York, 53; ARodriguez, Seattle, 51; Griffey Jr, Seattle, 49; Garciaparra, Boston, 48; GAnderson, Anaheim, 47; IRodriguez, Texas, 46.

DOUBLES—Sprague, Toronto, 19; BeWilliams, New York, 14; Spiezio, Oakland, 13; ARodriguez, Seattle, 13; O'Neill, New York, 13; Lawton, Minnesota, 12; Colbrunn, Minnesota, 12.

TRIPLES—Jeter, New York, 3; Knoblauch, Minnesota, 3; Vizquel, Cleveland, 3; Allicea, Anaheim, 3; Surhoff, Baltimore, 3; 11 are tied with 2.

HOME RUNS—Griffey Jr, Seattle, 16; TMartinez, New York, 14; TaClark, Detroit, 13; Justice, Cleveland, 12; McGwire, Oakland, 12; MVaughn, Boston, 9; MaWilliams, Cleveland, 9.

STOLEN BASES—Knoblauch, Minnesota, 17; BLHunter, Detroit, 16; Nixon, Toronto, 15; Vizquel, Cleveland, 11; Durham, Chicago, 10; Buford, Texas, 10; Easley, Detroit, 10.

PITCHING (5 Decisions)—Witt, Texas, 6-0, 1.000, 2.84; Key, Baltimore, 7-0, 1.000, 1.82; Clemens, Toronto, 6-0, 1.000, 2.05; Pettitte, New York, 6-1, .857, 2.33; Erickson, Baltimore, 6-1, .857, 2.90; Dickson, Anaheim, 5-1, .833, 3.27; 6 are tied with 800.

STRIKEOUTS—Cone, New York, 63; RaJohnson, Seattle, 60; Clemens, Toronto, 53; Appier, Kansas City, 52; Alvarez, Chicago, 50; Nagy, Cleveland, 47; Navarro, Chicago, 46.

SAVES—MRivera, New York, 13; RaMyers, Baltimore, 13; Wetteland, Texas, 9; DeJones, Milwaukee, 9; Charlton, Seattle, 8; Taylor, Oakland, 7; RHernandez, Chicago, 6; Aguilera, Minnesota, 6.

NATIONAL LEAGUE LEADERS

	G	AB	R	H	Avg.
LWalker Col	35	136	39	55	.404
Blauser Atl	37	113	22	45	.398
EcYoung Col	36	147	30	54	.367
Lofton Atl	37	163	31	59	.362
Olerud NYM	36	140	28	50	.357
Gwynn SD	34	139	19	49	.353
Tucker Atl	33	120	19	42	.350
Galarraga Col	32	122	30	42	.344
Alou Fla	36	130	27	44	.338
HRodriguez Mon	34	131	22	44	.336
DSanders Cin	35	152	18	51	.336

RUNS—LWalker, Colorado, 39; Lofton, Atlanta, 31; EcYoung, Colorado, 30; Galarraga, Colorado, 30; Olerud, New York, 28; Biggio, Houston, 28; Alou, Florida, 27.

RBI—LWalker, Colorado, 39; Bagwell, Houston, 35; Alou, Florida, 35; Hundley, New York, 34; Bichette, Colorado, 34; Galarraga, Colorado, 33; Kent, San Francisco, 30; Olerud, New York, 30.

HITS—Lofton, Atlanta, 59; LWalker, Colorado, 55; EcYoung, Colorado, 54; DSanders, Cincinnati, 51; Olerud, New York, 50; Gwynn, San Diego, 49; Grudzielanek, Montreal, 45; Biggio, Houston, 45; Blauser, Atlanta, 45.

DOUBLES—Bragna, Philadelphia, 15; EcYoung, Colorado, 14; HRodriguez, Montreal, 14; Clayton, St. Louis, 14; Grudzielanek, Montreal, 13; Kent, San Francisco, 12; Bonilla, Florida, 12.

TRIPLES—WGuerrero, Los Angeles, 5; DSanders, Cincinnati, 5; Womack, Pittsburgh, 4; Kieske, Atlanta, 3; Alou, Florida, 3; DeShields, St. Louis, 3; 19 are tied with 2.

HOME RUNS—LWalker, Colorado, 13; Castilla, Colorado, 10; Bagwell, Houston, 10; Hundley, New York, 10; JLopez, Atlanta, 9; RWhite, Montreal, 8; HRodriguez, Montreal, 8; Alou, Florida, 8.

STOLEN BASES—DSanders, Cincinnati, 23; Womack, Pittsburgh, 13; LCastillo, Florida, 12; Lofton, Atlanta, 12; Clayton, St. Louis, 10; Mar-andini, Philadelphia, 10; LWalker, Colorado, 10.

PITCHING (5 Decisions)—PJMartinez, Montreal, 5-0, 1.000, .50; Neagle, Atlanta, 6-0, 1.000, 3.57; Gardner, San Francisco, 4-1, .800, 3.37; GMaddux, Atlanta, 4-1, .800, 1.57; Swift, Colorado, 4-1, .800, 4.75; BJones, New York, 6-2, .750, 2.67; 7 are tied with 667.

STRIKEOUTS—Schilling, Philadelphia, 68; Nomo, Los Angeles, 55; Reynolds, Houston, 55; KJBrown, Florida, 54; AlBenes, St. Louis, 52; Smoltz, Atlanta, 51; RMartinez, Los Angeles, 44.

SAVES—Beck, San Francisco, 12; ToWorrell, Los Angeles, 10; JoFranco, New York, 10; Nen, Florida, 9; Wohlers, Atlanta, 9; BWagner, Houston, 8; Bottalico, Philadelphia, 7; Eckersley, St. Louis, 7.

Japanese Leagues

CENTRAL LEAGUE

	W	L	T	Pct.	GB
Yakult	19	13	—	.594	—
Hiroshima	15	14	—	.517	2.5
Yokohama	14	15	—	.483	3.5
Chunichi	15	17	—	.469	4.0
Hanshin	14	16	—	.467	4.0
Yomiuri	14	16	—	.467	4.0

TUESDAY'S RESULTS

Yakult 5, Chunichi 4
Hanshin vs. Yokohama, rained out.
Hiroshima vs. Yomiuri, rained out.

PACIFIC LEAGUE

	W	L	T	Pct.	GB
Seibu	18	13	—	.581	—
Orix	15	13	—	.536	1.5
Daiei	16	15	—	.516	2.0
Lotte	14	15	1	.483	3.0
Nippon Ham	15	17	—	.469	3.5
Kintetsu	12	17	1	.414	5.0

TUESDAY'S RESULTS

Lotte 5, Nippon Ham 3
Kintetsu 4, Daiei 3
Orix vs. Seibu, rained out.

BASKETBALL

NBA Playoffs

SECOND ROUND
(BEST-OF-SEVEN)

MONDAY'S RESULTS

Miami	22	14	16	24	—76
New York	23	28	17	21	— 89

M: Hardaway 4-10 0-5 8-14, Mourning 5-16 3-8 13; N.Y.: Starks 9-12 1-2 21, Ewing 8-13 4-6 20. Rebounds—Miami 53 (Brown 12), New York 42 (Oakley 9). Assists—Miami 13 (Anderson 4), New York 24 (Childs 8).
(New York leads series 3-1)

L.A. Lakers	25	28	16	28	4— 93
Utah	31	22	13	23	9— 98

L.A.: Van Exel 9-17 6-6 26, O'Neal 9-17 5-9 23; U: Malone 9-21 14-18 32, Stockton 11-13 1-2 24. Rebounds—Los Angeles 49 (O'Neal 13), Utah 55 (Malone 20). Assists—Los Angeles 14 (O'Neal 5), Utah 18 (Stockton 10).
(Utah won series 4-1)

ICE HOCKEY

World Championship

FINAL
(BEST- OF-THREE)
TUESDAY, IN HELSINKI, FINLAND

Canada 3, Sweden 1
(Final tied 1-1)
Third game is played on Wednesday.

CRICKET

INDEPENDENCE CUP
1 DAY INTERNATIONAL
PAKISTAN VS. SRI LANKA
MONDAY, IN GWALIOR, INDIA

Pakistan: 289-6 in 50 overs (innings closed)
Sri Lanka: 259 in 49.5 overs.
Pakistan won by 30 runs.

SOCCER

SPANISH FIRST DIVISION
Valencia 1 Deportivo Coruna 1

STANDINGS: Real Madrid 83 points; Barcelona 78; Deportivo Coruna 73; Real Betis 72; Atletico Madrid 63; Valladolid 58; Real Sociedad 53; Athletic Bilbao 52; Tenerife 51; Valencia 49; Racing Santander 47; Celta Vigo 43; Zaragoza 43; Compostela 43; Espanyol 42; Oviedo 42; Extremadura 40; Rayo Vallecano 39; Sporting Gijon 39; Hercules 35; Sevilla 33; Logranes 31.

DUTCH FIRST DIVISION
Roda JC Kerkrade 2, NAC Breda 1

STANDINGS: PSV Eindhoven 71 points; Feyenoord 67; Twente Enschede 59; Ajax Amsterdam 55; Roda JC Kerkrade 52; Vitesse Arnhem 51; Heerenveen 50; Graafschap Doetinchem 42; NAC Breda 39; Sparta Rotterdam 35; Utrecht 35; Fortuna Sittard 35; Groningen 33; Willem II Tilburg 31; Volendam 31; AZ Alkmaar 25; NEC Nijmegen 25; RKC Waalwijk 25.

DENNIS THE MENACE

"C'MON, JOEY, LET'S GET OUT'TA HERE BEFORE HE HITS HIS THUMB!"

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THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

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NAISE
ITHELB
GLIEGG

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: ( )

(Answers tomorrow)

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Answer: You might call a trio at the coronation — REIGN RAIN

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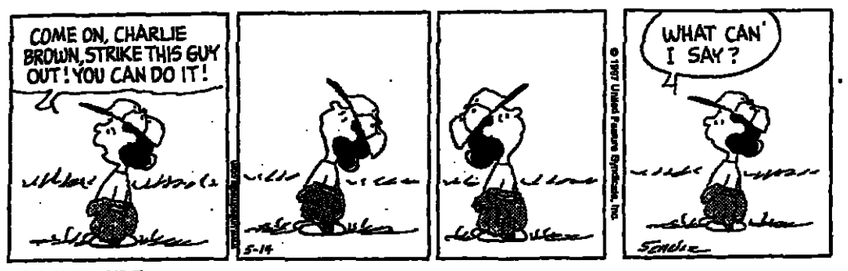

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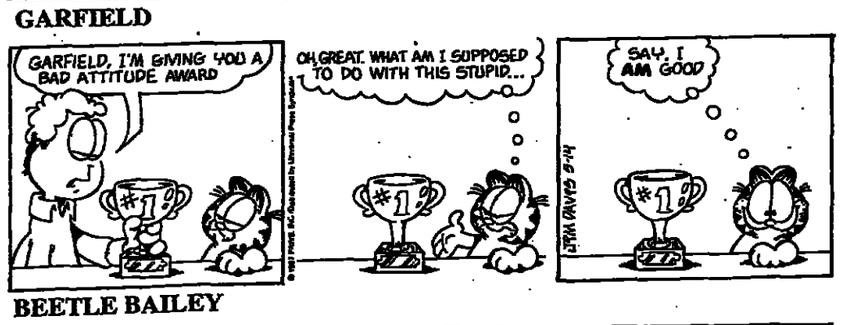

WIZARD of ID

BEETLE BAILEY

NON SEQUITUR

DOONESBURY

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OBSERVER

Put on Camouflage

By Russell Baker

NEW YORK — The mail brings a sad letter from an angry man who wants to know how he can join one of those agin-the-government outfits whose members thirst for war with Uncle Sam.

Until now he has never understood how any American — surely the most privileged species on earth, except for the lousy health-care system — could hate the government enough to appear in public wearing a camouflage suit.

Now he knows. A few weeks ago he mailed his state income tax forms and tax payment to the collector right on deadline. Last week the envelope, unopened, was returned by the post office. The message: "Insufficient Postage." He was *short by 23 cents.*

□

A New York City woman sounds almost as overwrought about those water towers that sit on top of high buildings all over town. She hears that these distinctive features of the skyline are going to be covered with advertisements. She resents having everything in New York turned into advertising and wants me to stop it.

My first impulse is to advise her to join one of those agin-the-government outfits and start walking around New York in a camouflage suit. But it is not the government, the accursed government with its rubber "Insufficient Postage" stamps, that puts ads in the clouds. It is American business obeying the commands of a free market.

My advice, Madam, is to stop grousing, thank Heaven for a free market and start doing something that will keep the Dow Jones flying.

Fighting preservation, for instance. Found a Desecration Society. Imagine all four faces of the Washington Monument covered, ground to peak, with ads; the Capitol Dome ringed with neon of many colors urging the purchase of beer, automobiles, antiperspirants, toothpaste.

Across the White House I see an ever-changing assortment of house ads flashing in electric lights: "For the very best in camouflage suits, call the Pentagon"; "Why take the chance of having your tax return sent back for Insufficient Postage? Buy another 23-cent stamp and feel safe," et cetera.

Here is a Washington woman writing to ask what the world is coming to when a country's health-care system is so lousy that a person can't even go to the dentist anymore without getting a mouth *full of Krazy Glue.*

She is referring to the man in Silver Spring, Maryland, who was directed to a woman dentist famous for charging low prices. When the patient complained about a tooth that felt too big for his mouth, the dentist extracted it, filed it down for a more comfortable fit, then cemented it back in his jaw with Krazy Glue.

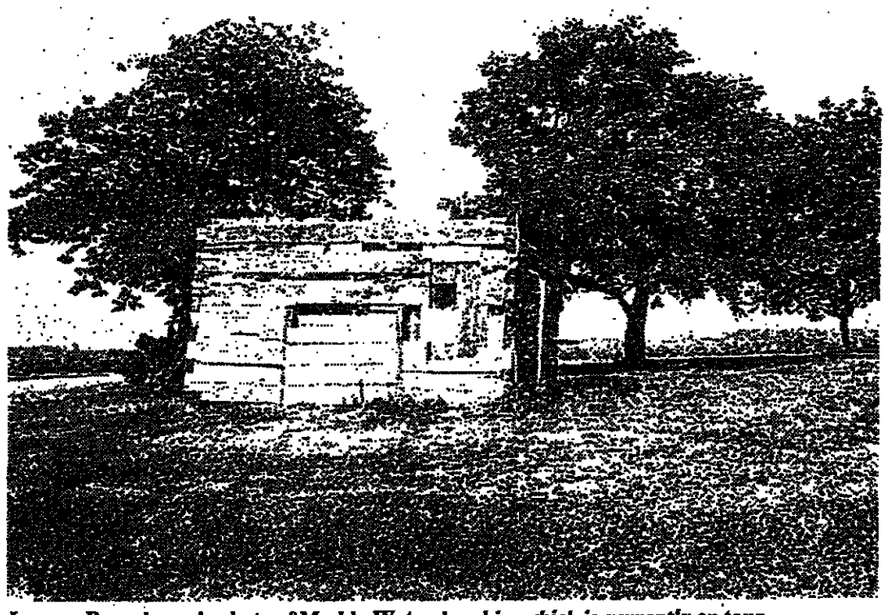
I have spent several days agonizing about what advice to give this woman. On one *hand, I am tempted to tell her* to start wearing a camouflage suit and picketing the Capitol with a sign saying, "Fix our lousy health-care system, you clods."

Other times I am tempted to advise her to quit whining and get down on her knees to show she is grateful for a free-market system that encourages even the unskilled to succeed through imagination, daring and Krazy Glue. Even if the health-care system really is lousy.

New York Times Service

The Disappearing Delta, Home of the Blues

By Mike Zwerin
International Herald Tribune



Jacques Beauchamp's photo of Muddy Waters's cabin, which is currently on tour.

PARIS — Every few years we are notified of another "rebirth of the blues."

Each time, it is remembered that this music of poor blacks enriches the entire culture of the deep South — of all of us. It can even be an economic asset. There is talk of a new audience, another generation of artists and creative *stylistic offshoots.*

CD reissues keep coming. RCA has reintroduced its Bluebird Blues and Heritage line with recordings from the '30s and '40s. MCA is re-exploring its Chess catalogue on the occasion of Chess's 50th birthday. According to Billboard magazine, "the sheer number of titles is unprecedented."

Although non-Americans sometimes confuse the legacies of Elvis Presley and Muddy Waters, of Nashville and Memphis, and of two different deltas, they can also see the story with more cultural perspective. The French photographer Jacques Beauchamp, for example, has an acute eye and a lot of culture.

He first went to the Mississippi Delta to take photographs during another blues revival, in the summer of 1990. (Six documentary films were being made on the subject while he was there.) His account of the trip was published in the French magazine Jazz Hot. What he calls his "Bluescapes" illustrate the Clarksdale, Mississippi, Delta Blues Museum's 1997 calendar and they are on permanent exhibition there.

He attacks the subject with the zeal of a missionary: "The northwestern corner of the state of Mississippi, the home of the Delta blues, is a plain in the form of a triangle shaped by the Mississippi and Yazoo rivers and the Tennessee border. There are other blues styles like Texas blues but the Delta blues have been most influential. Muddy Waters electrified the Delta blues in Chicago and rock 'n' roll came out of that.

"The 'Delta' has little to do with the real delta of the Mississippi River a few hundred miles further south in Louisiana," he says. "That's why I always capitalize Delta."

Born in Paris in 1949, Beauchamp married an American and lived in New York from 1975 to 1992. He read about, listened to, learned from and now lectures on the blues. He visited the Delta twice, in 1990 and 1996. In between, in 1993, gambling was legalized in Mississippi. The Delta is a one-hour drive from Memphis. Glittering casinos, concrete highways and package tours are displacing the one-pump gas stations, rusting railroad cars, dilapidated Dodges, abandoned downtown premises and one-eyed dogs that had dotted the landscape like faded postcards when he first arrived.

Beauchamp is running something of a race against time. His subject matter is disappearing from in front of his lenses. Fast food is now served beside the mythical "crossroads" where Robert Johnson made his fabled deal with the devil at the junction of highways 61 and 49 in Clarksdale. Legions of hillbillies, bluesmen and folk singers wrote songs about *those legendary highways and that deal.*

John Lee Hooker was born in Clarksdale. W.C. Handy directed the local marching band. Muddy Waters lived in his grandmother's cyprus-log shack on a plantation nearby. Billy Gibbons of the blues-based rock band ZZ Top designed what he called a "Muddy Wood" guitar from one of its beams. Beauchamp photographed the shack, which was a registered landmark by then.

The cabin has since become the property of the House of Blues nightclub chain, which, says Beauchamp with a "do you believe this?" shrug, is touring it around the United States on a a flatbed truck. It will eventually be put back, but in the meantime there's a sign next to an empty lot that says "Muddy Waters's house."

Beauchamp had looked at a lot of pictures taken in the Delta in the past. They were all the same, a shack with a poor looking black *man in front of it. He found out that one* reason they looked the same was because much of the time it was literally the same person, a musician and sculptor named Son Thomas. He was an interesting person and a local *star and local people went out of their* way to direct visiting photographers to Son Thomas.

Anyway, Beauchamp was not really all that interested in photographing people. He's a landscape photographer, he wanted to show what the people were looking at. In the summer of 1996, he went back there. Attempting to find out what was going on behind the burgeoning tourist industry, he followed what had become a back road called "Old Highway 61" into Moorehead, the town "where the Southern crosses the Yellow Dog" — nicknames for two old-time blues-celebrated railroad lines.

He walked past a "no weapons allowed" sign into a bar on a parking lot to hear a locally renowned 72-year-old bluesman by the name of Model T Ford. Model T is a retired mechanic with a young wife and 7-year-old daughter; they were both in the club that Saturday night. His Telecaster guitar was at maximum volume. He was mostly singing what are known as "floating verses," a stock of commonly used blues lyrics *consisting of metaphors, puns and* verbal riffs which singers rearrange according to the context and their taste. (Beauchamp titles his Bluescapes with them.) A drummer played a bass drum, a snare and one cymbal. Women were lined up on a bench against a wall, a crowd of older men sat in the back. Young men walked in and out and played pool. Cue sticks would hit the cymbal. The people were dressed up and perfumed and they drank beer, danced, laughed and shouted conversations.

Beauchamp was the only white person in the room. A woman asked how much it would cost to have her picture taken, one man said he'd rather not have his taken at any price. After each song, the people waited to see if Beauchamp applauded. If he did, so did they. He wondered if he was getting anything like a real experience in there. Has the blues revival reached Moorehead, Mississippi?

Delta Blues Museum web site: http://www.clarksdale.com

Damian Dovarganes/AP

ROSY — Former first lady Betty Ford planting roses at the Nixon Library in Yorba Linda, California.

PEOPLE

ROCK stars **Patti Smith** and **John Cale** will appear in concert June 4 in New York to commemorate the eighth anniversary of the Chinese government's crackdown on dissident students in Tiananmen Square in Beijing. **Harry Wu**, the dissident and former political prisoner, will be on hand along with **Chai Ling**, one of the student movement's leaders, to talk about human rights abuses in China and Tibet.

□

Princess Cristina, the second daughter of **King Juan Carlos** of Spain, will marry the handball star **Inaki Urdangarin** in Barcelona on Oct. 4. The couple announced their engagement May 3. Cristina, 31, and Urdangarin, 29, met last summer at the Olympic Games in Atlanta.

□

Elizabeth Taylor, 65, canceled an appearance at an AIDS fund-raiser in Cannes, saying she wants to remain close to the doctors who removed a tumor from her brain three months ago. The actress said in a statement that **Demi Moore** will stand in for her at AmFAR's Cinema Against AIDS benefit.

□

After six months of searching and much speculation in the art world, the Frick Collection has announced that **Samuel Sachs 2d**, director of the Detroit Institute of Arts, will become the director of the Frick in September. Sachs succeeds **Charles Ryskamp**, who is retiring after 10 years as the museum's director.

□

Princess Anne's former husband, **Mark Phillips**, and his wife, the U.S. Olympic equestrian **Sandy Pflueger**, are expecting their first child, according to the Daily Mail in London. They were married Feb. 1 in Hawaii. Phillips, and Anne, *the daughter of* **Queen Elizabeth II**, were divorced in 1992.

□

Hayley Mills, the former child star who won a special Oscar in 1961 for "Pollyanna," is starring as the leading lady in the touring production of "The King and I." After years of theater work in Australia, her native England, New Zealand, Canada and Russia, the 51-year-old actress is taking voice lessons for her stint as Anna, her first U.S. stage role.

□

Tito's yacht is for sale — again — for the fourth time in recent years. An American millionaire who was never identified was to buy the 391-foot Galeb last year but failed to pay the agreed-upon $2.1 million to the Montenegrin government, the Tanjug news agency reported. Tito, who ruled Yugoslavia for 35 years, died in 1980.

□

Two years after a horseback riding accident left him paralyzed, **Christopher Reeve** *says he has regained some* sensation in his spine. The 45-year-old actor best known for the "Superman" movies said in a television interview that he has feeling "all the way down to the base of my spine. . . . About six months ago, I couldn't feel down there."

N.Y. Auction Nets $92 Million

New York Times Service

NEW YORK — New money ran after the trappings of the old on Monday night at Christie's, where one of the most important private collections ever to come to auction was sold: 29 Impressionist and Postimpressionist paintings, drawings and sculptures from the collection of John Langeloth Loeb and Frances Lehman Loeb.

The 66-minute sale totaled $92.7 million, above Christie's estimate of $80 million.

Of the 29 works offered, only one failed to sell. The total was the second-highest for a single-owner sale at auction. (The highest was Sotheby's sale of the collection of John T. Dorrance Jr., the Campbell's Soup heir, which sold for $135.3 in 1989.)

More than half the buyers were Americans, Christie's officials said, and many of them were relatively new to the art market.

Competition became particularly serious for Toulouse-Lautrec's "Seated Dancer in Pink Stockings" (1890). Four telephone bidders and two people in the sales room bid for the pastel, a Degas-inspired depiction of a dancer resting backstage. It sold to an unidentified telephone bidder for $14.5 million, far above its $10 million high estimate, and a record for the artist.

Two other paintings nearly broke records, but not quite. "Madame Cezanne Seated in a Yellow Chair" (1888-1890), *a powerful portrait of Cezanne's wife* in a red dress, was the most expensive picture in the sale.

Five bidders tried to buy the portrait, which finally sold for $23.1 million to Ernst Beyler, a dealer living in Basel, Switzerland.

(The record price for a Cezanne was set at Sotheby's in New York in 1993, when "Still Life With Apples" sold for $28.6 million.)

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